

## AMENDMENT NO.1 TO MASTER SOFTWARE AND SERVICES AGREEMENT

This Amendment No.1 ("Amendment") to that certain Master Software and Services Agreement effective as of May 1, 2012 ("Original Agreement"), shall be effective as of July 1, 2017, ("Amendment Effective Date") by and between Paciolan, LLC (formerly Paciolan, Inc.) dba Spectra Ticketing & Fan Engagement ("Paciolan"), and the University of Washington (the "University") and its Department of Intercollegiate Athletics ("Customer"). Notwithstanding the Amendment Effective Date set forth above, this Agreement shall be effective earlier on January 1, 2017 with respect to the Software, Professional Services and subscription services described in Exhibits C and E.

### Background

Paciolan and Customer now desire to further amend and supplement the Original Agreement as specified below in order to provide Customer with additional Hardware, Software, Professional Services and subscription services and extend the term of the Original Agreement.

In consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree to amend the Original Agreement as follows.

### Original Agreement Amendments

1. **Parties.** The parties agree that the Customer under the Original Agreement and this Amendment shall be the University of Washington's Department of Intercollegiate Athletics ("ICA").

2. **Definitions.** Subscription services shall be included in the definition of System. The following definitions shall be added to Section 1 of the Original Agreement:

Data Account: The database that contains, among other things, records of ticketing transactions and patron data (other than debit and credit card data or any data prohibited from being transferred to third parties without express consumer consent to do so), schedules, and seating information.

Event: A concert, sporting, entertainment or other act or event of any kind or nature whatsoever to be held at the Facility.

Facility (ies): Any venues controlled, operated or managed by ICA or where ICA otherwise controls the rights or has the sole authority to sell tickets to any event, including, but not limited to the venue(s) located at the University's campus and their successor venues.

Hardware: All of that certain computer hardware, communications equipment, terminals and hook-ups provided to Customer herein and which is listed in the Hardware Section of the Investment Addendum or otherwise supplied during the Term.

Sellable Capacity: means the admission capacity of the Facility for any particular Event.

Ticket: A printed, electronic or other type of evidence of the right to occupy space at or to enter or attend an Event even if not evidenced by any physical manifestation of such right, such as a "smart card", including, without limitation, tickets printed via print-at-home technology."

3. **Term.** Section 2(A) of the Original Agreement shall be amended and restated as follows:

The term of this Agreement shall begin on the Effective Date and continue until June 30, 2024 (“Initial Term”) and shall automatically renew for subsequent five (5) year periods (each a “Renewal Term”) under the then current terms unless either party notifies the other in writing at least ninety (90) days prior to end of the Initial Term or the then-applicable Renewal Term, as applicable, of its intent not to renew this Agreement for a subsequent term. The Initial Term, together with any Renewal Terms, is referred to herein as the “Term”. For any Renewal Term, Paciolan shall be entitled to increase or otherwise adjust its fees charged under this Agreement upon notice to Customer delivered at least one hundred twenty (120) days prior to the commencement of the applicable Renewal Term.

4. **Effect of Termination.** Section 2(C) of the Original Agreement shall be amended and restated in its entirety as follows:

Notwithstanding anything to the contrary in this Agreement, any termination of this Agreement shall not relieve either party hereto of any of its obligations or liabilities accrued hereunder prior to such termination. Upon the effective date of any termination or expiration of this Agreement, Customer shall continue to be obligated for any charges, fees, cash or other amounts previously incurred under the Agreement. To the extent permitted by law, within ten (10) days after termination of this Agreement, Customer shall return to Paciolan or destroy, as instructed by Paciolan, all copies of the Software then in Customer’s possession, if any, and Customer shall certify in writing to Paciolan, within two (2) weeks of any termination of this Agreement, that through its best efforts and to the best of its knowledge the original and all copies of the Software, Documentation and other proprietary information of Paciolan have been destroyed or returned to Paciolan.

5. **Restrictions.** Section 4(B) of the Original Agreement shall be amended and restated in its entirety as follows:

Customer shall limit the use of the Software to its employees and outsourced contractors who have appropriately familiarized themselves with the Software. Customer shall be responsible and liable for its outsourced contractors’ compliance with the terms and conditions of this Agreement applicable to use of the System. Customer shall not: (a) permit any third party to use the Software, except as contemplated above, (b) use the Software in conjunction with any software, other than Paciolan’s software or products, (c) delete or alter Paciolan’s trade secrets, trademarks or copyright notices in the Software, (d) disassemble, re-manufacture, repair, re-configure, enhance, upgrade, modify, translate, adapt, create derivative works, decompile or reverse engineer the Software in any way nor merge them into any other program for any purpose, or (d) transfer, license or sub-license, assign, rent, sell, grant, publish, disclose, display, dispose or otherwise make available the Software, or any rights therein or copies or derivatives thereof, including other templates or working systems.”

6. **Ownership.** Section 4(C) of the Original Agreement shall be amended and restated in its entirety as follows:

Customer covenants and agrees that all Software, including Documentation, enhancements, conversions, upgrades, additions, modifications thereto and information contained therein, and any information, methods, formulae, techniques, processes, system and programs devised, produced or supplied by Paciolan, in connection with this Agreement or otherwise, in text or displayed on the computer screens when utilizing the Software or any other information disclosed to Customer regarding the Software,

future modifications or direction for current or future Software, is proprietary (hereafter "Proprietary Information") and shall be and remain, personal property which shall, at all times, remain the sole and exclusive property of Paciolan or its licensors, and Customer shall have no right, title or interest therein or thereto except as a licensed user pursuant to the terms of the Agreement. In addition to the proprietary rights described above, Customer is warned and acknowledges that Paciolan has invention rights, copyrights, and other intellectual property rights in and to the information contained therein which prohibit copying, sale, modification and re-manufacture of the Software and information regarding the Software, which will be enforced. Paciolan shall have all applicable rights to patents, copyrights, trademarks and trade secrets in the Proprietary Information and derivative works thereof, regardless of whether developed outside the scope of this Agreement or in connection with the services provided pursuant to this Agreement. To the extent allowable by law, Customer agrees to secure and protect all portions of the Proprietary Information and copies thereof in a manner consistent with the maintenance of Paciolan's rights therein and to take appropriate action by instruction and agreement with its employees or consultants who are permitted access to any portions of the Proprietary Information to satisfy its obligations hereunder. Customer hereby irrevocably assigns to Paciolan any and all rights it may be deemed to have in any changes, modifications or corrections to the Software and Documentation, including but not limited to copyright rights, and agrees to execute all documents necessary to implement and effect such assignment. All rights not specifically granted herein are reserved to and by Paciolan.

7. **Separately Billable Items.** Section 6(C) of the Original Agreement shall be amended and restated in its entirety as follows:

Paciolan shall be entitled to reimbursement for reasonable travel, meals, lodging, and other business expenses incurred by Paciolan personnel in the performance of this Agreement and Customer shall have the right to require Paciolan to supply reasonable documentation supporting the incurrence of such expenses. Paciolan shall solicit Customer's prior written approval (which shall include email) prior to incurring any such expenses, provided that such prior approval will not be unreasonably withheld.

8. **Hardware.** The following shall be added as Section 3 of the Original Agreement:

**Hardware.** Customer shall make available for the Software implementation computer hardware equipment, firmware and/or software systems and configurations provided by Paciolan as adequate for such implementation. In exchange for the fees set forth on the Investment Addendum, Customer shall purchase from Paciolan the Hardware, if any, set forth on the Investment Addendum, for use in connection with the Software. Paciolan shall provide to Customer the Hardware listed on the Investment Addendum. All right, title and ownership to such Hardware shall transfer to Customer upon Paciolan's receipt of full payment for the applicable Hardware and the University's receipt of such Hardware. Customer acknowledges that the Hardware will be used by Customer at the Facilities, which Paciolan does not own, operate or control. Paciolan assumes and shall bear the entire risk of loss and damage to the Hardware, from any and every cause whatsoever during shipment to the Customer. In the event of loss or damage of any kind to any Hardware after delivery to Customer, Customer, at its sole option, shall within thirty (30) days after such loss or damage replace the same with the same or similar property, in good repair, condition and working order to the satisfaction of configurations approved by Paciolan. Paciolan passes through to Customer, to the extent permitted, all applicable warranties with respect to the Hardware made available by the Hardware manufacturer. To the extent any third party software embedded in the Hardware is subject to an end user license or other applicable license terms of the owner of such third party software, then the use of such third party software by Customer shall be subject to such licenses. PACIOLAN MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER RELATED TO THE HARDWARE, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WITH

RESPECT TO PACIOLAN'S OBLIGATIONS, THE HARDWARE IS PROVIDED "AS IS." The foregoing shall not affect Customer's rights and remedies against the Hardware manufacturer.

9. **e.Venue.** The following subsections (G), (H), (I) and (J) shall be added to Section 4 of the Original Agreement:

(G) **Exclusive Use.** Customer agrees to use the Paciolan Software and System, during the Term, as its exclusive source for primary and secondary ticketing by Customer, via any and all currently existing or future means and methods of distribution (e.g. telephone, internet, online and offline distribution methods, computer, outlets, interactive television, clubs, auctions, member packages, promotions, etc.), including, but not limited to, (i) selling, reselling or distributing all Tickets, including applications for selling, reselling or distributing Tickets, to the Sellable Capacity for every Event, (ii) supporting the sale, resale and distribution of Tickets to all such Events, and (iii) tracking and authenticating Tickets sold or otherwise distributed to all such Events. Customer shall ensure that the entire Sellable Capacity for every Event shall be made available for distribution on the System. Customer shall not directly or indirectly: (i) advertise, promote, market, endorse, sponsor, authorize or permit the use of any third party that promotes, engages in or facilitates the sale, resale, distribution or issuance of tickets or otherwise engages in primary or secondary ticketing; or (ii) allow, permit or authorize any of Customer's media properties, including, but not limited to, web sites, radio, newspapers, television and any other online and offline media outlets, to be used in connection with any of the activity described in clause (i) above in this sentence. In the event that Paciolan enters into an agreement with Amazon for the availability of Paciolan's customers' tickets to the public via Amazon using the System for inventory allocation and fulfillment, then the availability of Tickets to Events via such Amazon service shall not constitute a breach of this Section 4(G) for the duration of such agreement between Paciolan and Customer.

(H) **Web Site Services.** Paciolan will create and maintain at a location of its choosing, Customer-branded Internet sites (the "Site"), as outlined in the Investment Addendum, for the benefit of the Customer. The Site(s) will provide to Customer the functions reasonably required for Customer to transact to the public its Tickets and other items contemplated by this Agreement. Paciolan will undertake commercially reasonable efforts to comply with the applicable provisions of the Americans with Disabilities Act with respect to Paciolan's provision of the Site(s). If, despite its commercially reasonable efforts, Paciolan is unable to ensure compliance by the Sites with the requirements above, such noncompliance shall not be deemed a material breach under this Agreement and, so long as Paciolan is otherwise in material compliance with the terms and conditions of this Agreement. Customer's sole and exclusive remedy for Paciolan's non-compliance with the requirements above during shall be termination of the Agreement upon Customer's notice of material non-compliance to Paciolan and Paciolan's failure to cure such non-compliance within six (6) months of its receipt of such notice

(I) **Customer Responsibilities.** Customer agrees to maintain and update its Event and price information on its System to ensure maximum opportunity for transactions, and to monitor the Sites and to report to Paciolan the problems and anomalies encountered by it or its customers.

(J) **Customer Marks, Customer Content.** Paciolan shall have the right and license to utilize and display such names, logos, brand marks (collectively, ("Customer Marks")) and other Customer content ("Customer Content") to the extent necessary to include such Customer Marks and other Customer content on the Sites. All such proposed uses by Paciolan of the Customer Marks and Content are subject to Customer's prior written approval. Paciolan specifically acknowledges that the Customer Marks and Content and all rights therein belong exclusively to Customer and that the Agreement, other than as

specifically provided for herein, does not confer upon Paciolan any other rights, goodwill or other interest in the Customer Marks or Content. The intellectual property rights in the “look and feel” of the Site shall be owned by Customer; provided, however, that all of the intellectual property rights in the underlying software, including the Paciolan Software, utilized in connection with the Site shall be owned exclusively by Paciolan. Each page of the Site shall include an attribution to Paciolan. The attribution shall state “Powered by Paciolan/Spectra” on the Site. Paciolan reserves the right to modify this attribution from time to time during the Term, with Customer’s prior approval, which shall not be unreasonably withheld.

10. **Fees and Payment Terms.** The following subsections (E), (F), (G) and (H) shall be added to Section 6 of the Original Agreement:

(E) **Credit Card Processing.** Paciolan shall collect all money received from sales managed by Paciolan for Customer and holding all monies, including applicable taxes, less amounts due Paciolan, for the benefit of Customer and, where applicable, Event promoters. Paciolan will make such funds available to Customer by ACH Transfer, less any amounts due Paciolan by Customer according to the Investment Addendum or as otherwise reserved as provided herein (the “Settlement”). Each dispersal of funds to Customer shall be accompanied by a System report. System reports will form the basis for determining the gross receipts and deductions for Customer sales and shall be conclusive as to all amounts contained therein. At all times during the Term and for one (1) year thereafter, but no more than once per year, Customer shall have the right, at its own expense and on reasonable prior notice, to audit sales managed by Paciolan for Customer. Paciolan shall provide Customer with the ability to process payment for all sales with Visa, MasterCard, Discover, and American Express credit cards. Processing fees charged to Customer by Paciolan are set forth on the Investment Addendum and are subject to automatic increase due to increases imposed on Paciolan by its merchant bank. Customer also agrees to pay all credit card fees relative to the purchase price of such sales, any additional convenience fees that Customer may add to the sale, taxes or any other charges added to the price, and all fees imposed by the merchant bank or any credit card network or association for refunds that Customer may make or authorize Paciolan to make. Customer is responsible for all fraudulent credit card use, charge-backs or disputes, and any other fees associated therewith (individually and collectively “Charge-Backs”). Paciolan will make every reasonable effort to document the Charge-Backs with its merchant bank and to rectify the Charge-Backs with purchasers. Any unresolved Charge-Backs will be documented to Customer and deducted at Settlement. Customer acknowledges that due to banking regulations, Charge-Backs which occur under this Agreement may occur up to eighteen (18) months from the date in which a purchaser has conducted a transaction through the System. Charge-Backs which are a result of fraud have no timeframe limitation on purchaser’s and/or card holder’s ability to recover such charges. At the conclusion of the Term, Paciolan will retain twenty-five thousand dollars (\$25,000) from the final Settlement for six (6) months for any unresolved Charge-Backs. All funds retained by Paciolan for unresolved Charge-Backs will be in an interest bearing account (based on the six (6) month Treasury Bill rate in effect at the end of the Term) on behalf of the Customer. Customer acknowledges and agrees that in the case of any cancellation of an Event for which Paciolan processes payment via credit card, Paciolan is obligated to make refunds to those Ticket buyers that paid for Tickets via credit card, within two (2) business days of the time of Customer’s announcement of the cancellation of the Event. Customer authorizes Paciolan to refund the Customer established Ticket price and convenience fee(s) and shall (i) promptly and effectively advertise to the general public its policy and procedures on refunds to Ticket holders and, (ii) within two (2) business days of Customer’s announcement of the cancelled Event, provide Paciolan with sufficient funds, based on the System reports, to make such refunds, provided that Paciolan may withhold funds from the sale of Tickets to other Events to the extent of any deficiency in funds to make refunds. Any failure by Customer to timely remit the required funds as requested by Paciolan shall entitle Paciolan to terminate the Agreement, and any amendments, in addition to any other right to which Paciolan may then be entitled. As a condition to any termination of the Agreement by Customer, whether upon expiration of the Term or otherwise, Customer shall be required to remit to Paciolan funds equal to the Ticket price and

convenience fees for all Tickets sold via credit card for Events of Customer scheduled to occur after the date of termination (each a "Post Termination Event"), which Paciolan shall deposit in an interest bearing segregated account and from which Paciolan shall be entitled to pay refunds on account of any Post Termination Event which is cancelled. Upon the occurrence of any Post Termination Event, Paciolan shall remit to Customer, within two (2) business days from the date of such Post Termination Event, an amount equal to the Ticket price and convenience fees sold via credit card for such Post Termination Event held in the Paciolan segregated account, together with interest earned thereon, less any amounts due Paciolan from Customer.

(F) Marketing Services Credit. Paciolan shall provide Customer with a credit for the purchase of up to \$10,000 of marketing services pursuant to separate agreements during the period beginning of January 1, 2017 and ending on June 30, 2017, which credit shall expire on June 30, 2017 (i.e. "use it or lose it").

(G) Hardware Credit. Paciolan shall provide Customer with a credit for the purchase of up to \$200,000 of additional Hardware and related Professional Services under this Agreement during the period beginning of July 1, 2017 and ending on June 30, 2018, which credit shall expire on June 30, 2018 (i.e. "use it or lose it").

(H) General Credit. Paciolan shall provide Customer with a credit for the purchase of up to \$10,000 of additional Hardware, Software, Professional Services and/or subscription services per collegiate year (July 1-June 30) beginning with the collegiate year starting on July 1, 2017, which credit shall expire at the end of each collegiate year and will not carryover to the subsequent collegiate year (i.e. "use it or lose it").

11. Confidentiality. Notwithstanding Section 7 of the Original Agreement, Customer shall be under no obligation to cooperate in any attempt to obtain a protective order in response to a legal request for Confidential Information. Also, Notwithstanding any other provision of the Original Agreement or any amendment thereto, the parties acknowledge and agree that Confidential Information under this Agreement may be subject to court-ordered, regulatory, or public records disclosure under the Public Records Act (Ch. 42.56 RCW), and that no action taken by the University in fulfillment of the University's duties under the Act or pursuant to court order or regulation, as determined by the University in its sole discretion, shall be deemed inconsistent with any requirement of this Agreement.

12. Section 9(E). Notwithstanding Section 9(E) of the Original Agreement, Paciolan agrees and acknowledges that Customer may not be the exclusive operator of the Designated Site.

13. Indemnification. Section 11 of the Original Agreement shall be amended and restated in its entirety as follows:

"(A) Customer shall indemnify Paciolan and its parents, subsidiaries, and their officers, directors, employees and agents and their successors and assigns (collectively, for purposes of this section, "Paciolan's Indemnitees") against, and hold Paciolan's Indemnitees harmless from, any and all claims, actions, damages, expenses (including court costs and reasonable legal fees), obligations, losses, liabilities and liens, imposed on, incurred by, or asserted against Paciolan's Indemnitees occurring as a result of, or in connection with: (i) any breach under this Agreement by Customer or any of its officers, directors, employees and agents (collectively, "Customer's Representatives"); (ii) Customer's use of the Software or the System; or (iii) Customer's use of the Customer Data.

(B) Paciolan shall indemnify the Customer from and against any and all third party claims and liabilities (including without limitation, reasonable attorney's fees and costs), regardless of the form of

action, arising out of or in connection with a claim that the Paciolan Software delivered to the Customer, when used within the scope of this Agreement, infringes, violates or misappropriates a valid third party United States patent, copyright, or other proprietary right, provided that Paciolan is promptly given notice of such claim, the Customer has not reached any compromise or settlement of such action or made any admissions in respect of the same, and Paciolan is given the option, at its expense, to control the action and all requested reasonable assistance to defend the same. Paciolan shall have no liability or obligation to indemnify the Customer to the extent (i) the alleged infringement is based on infringing information, data, or content created or furnished by or on behalf of the Customer (ii) the alleged infringement is the result of a modification made by anyone other than Paciolan, or (iii) the Customer uses the Paciolan Software other than in accordance with this Agreement or the underlying software license to use the Paciolan Software. Upon notice of an alleged infringement, misappropriation or violation of intellectual property rights of a third party by Paciolan Software or if in Paciolan's opinion such a claim is reasonably likely, Paciolan will have the option, at its own discretion and expense, to (w) procure for Customer the right to continue using such Paciolan Software, (x) replace such Paciolan Software with a non-infringing Paciolan Software of similar quality and purpose, (y) modify such Paciolan Software to make it non-infringing, provided the modified Paciolan Software remains similar in quality and purpose to such Paciolan Software, or (z) terminate provision of such Paciolan Software and return to Customer the subscription fees paid for the infringing Paciolan Software reduced on a pro rata basis based on the portion of the terminated subscription. THIS SECTION 11(B) SETS FORTH PACIOLAN'S SOLE AND EXCLUSIVE LIABILITY AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES FOR INFRINGEMENT, MISAPPROPRIATION OR VIOLATION BY THE PACIOLAN SOFTWARE OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS."

14. **Service Policies.** In the event of any material modification to Paciolan's Service Policies, Paciolan shall notify Customer accordingly.

15. **Investment Addendum.** The Investment Addendum (Exhibit B to the Original Agreement) shall be amended and restated as set forth on Exhibit B attached hereto.

16. **Marketing Automation.** Marketing Automation Subscription Addendum attached hereto as Exhibit C is hereby incorporated by reference into the Original Agreement.

17. **Hosted Services.** Paciolan shall provide the Hosted Services described in the Hosted Services Addendum attached hereto as Exhibit D and incorporated by reference into the Original Agreement.

18. **CRM Statement of Work.** Paciolan shall provide Customer with the Professional Services set forth in the CRM Statement of Work attached hereto as Exhibit E and incorporated by reference into the Original Agreement as a supplemental Investment Addendum.

19. **Visualization Addendum.** Paciolan shall provide Customer with the Paciolan Software, Professional Services and subscription services set forth in the Visualization Addendum attached hereto as Exhibit F and incorporated by reference into the Original Agreement.

20. **Merchant Services Addendum.** The Merchant Service Addendum attached hereto as Exhibit G is hereby incorporated by reference into the Original Agreement.



All exhibits attached hereto are incorporated herein by reference. Except as amended by this Amendment, all terms and conditions, including the defined terms, set forth in the Original Agreement shall remain in full force and effect. If there is any conflict between the terms of this Amendment and the Original Agreement, then the terms of this Amendment shall prevail.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and do each hereby represent that their respective signatory whose signature appears below has been and is on the Amendment Effective Date duly authorized by all necessary and appropriate corporate action to execute this Amendment.

**PACIOLAN, LLC**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Kim Damron

\_\_\_\_\_  
President

\_\_\_\_\_  
3/30/17

**UNIVERSITY OF WASHINGTON**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Jeramy Thompson

\_\_\_\_\_  
Contracts Manager

\_\_\_\_\_  
4/13/2017



## EXHIBIT B: INVESTMENT ADDENDUM

- Marketing Automation Application Services (pursuant to the Marketing Automation Subscription Addendum attached hereto) Fees – Included in Annual Hosting Subscription
- Marketing Automation Implementation Professional Services - Included in Annual Hosting Subscription
- Annual Third Party Integration - Included in Annual Hosting Subscription
- Number of Login Users – Up to 3 full users. Additional full users will be billed at \$1,200 per year.
- A dedicated Digital Marketing Specialist to Customer's account
- System provisioning and implementation, including:
  - Development of 2 responsive design email templates
  - Newsletter & Subscription Sign-Up Form, Auto Opt-In For New Purchasers, & Birthday Email Campaign
  - Training of the following functionality:
    - Data consolidation / centralization
    - Advanced list segmentation
    - Personalized email with dynamic content
    - Forms & surveys
    - Program automation
    - Reporting
- Automated nightly ticketing feed from Paciolan into the marketing automation database
- 1 in-person training session with 1 Paciolan representative (held on 2 consecutive days, for 4 hours each day)
- Weekly status calls through the initial implementation period, typically at the conclusion of the first training session and deployment of Customer's first email campaign through the marketing platform (estimated 6-8 weeks)
- 1 Personalized URL (PURL) - Selected from Paciolan Ticketing pURL Solution Center
- Choice of 5 Business Initiatives annually, and training of those functionalities including, but not limited to:
  - Annual Survey Email and Form - up to 1 form, campaign and workflow set up
  - Lead Generation/ Data Capture Web Application Campaign - up to 1 form, campaign and workflow set up
  - Shopping Cart Abandonment – Up to 1 campaign and workflow set up
  - Behavior Based Retargeting – up to 2 Campaigns and workflow set up (including 4 emails each)
  - Access Scan in Welcome Email and Internal Notification – up to 1 workflow creation and set up
  - Post Event Communication Using Access Scan Data – up to 2 campaigns and workflow set up
  - Webpage Tracking Scripts – up to 20 pages tagged
  - A/B Split Testing – up to 2 campaigns and workflow set up
  - Donor & Development Acquisition Campaign – up to 1 campaign and work flow set up
  - Acquire Opt-In From Past Purchasers - up to 1 campaign and work flow set up
  - Automated Customer Reengagement Campaign - up to 1 campaign workflow (including 3 emails each)

- Opt-Out Notifications – up to 1 workflow set up
- Referral Campaign – up to 1 campaign workflow (including 3 emails each)

Ongoing business initiatives that span multiple years during the term of the Agreement, and that exceed revision or development time of thirty (30) minutes or greater by a Digital Marketing Specialist may be counted as a full business initiative for that annual period.

Additional business initiatives and services, above and beyond those outlined in this Exhibit A are available at \$150/Hour and will be scoped and agreed to under a separate Statement of Work.

Paciolan will maintain an organization and process to provide technical support to Customer for the Application Services. Support shall include (i) diagnosis of problems or performance deficiencies of the Application Services and (ii) prompt advice and guidance on the use of the Application Services. Paciolan will provide E-mail and telephone-based help desk support on the use of the Application Services in accordance with the Original Agreement.

## HARDWARE, SOFTWARE AND SERVICES

Qty	Description	
<b>HARDWARE</b>		
<b>Hardware Point-of-Sale Stations</b>		
BOCA Lemur-S +46 Ticket Printer & Cable (provided via Hardware Allocation)		
26	Credit Card Swipe	
<b>Hardware - Other</b>		
10	Personal Computer	Provided by Customer
Minimum PC Requirements:		
Windows 7/8 (64bit processor) Operating System		
Google Chrome or IE 10 Internet Browser, Intel Pentium Processor G2020 (2.9GHz)		
or greater (or equiv. competitor chip), 8GB RAM min for 64bit OS, 50GB Free Disk Space,		
Video - Integrated HD Graphics, 2 USB ports, Parallel port and Serial port		
TBD	Virtual SSL VPN License	
<b>SOFTWARE</b>		
<b>Paciolan Software</b>		
1	l.Res Software License	
1	Paciolan client Software for use with Seat Map	
1	System Access Management Software for use with Access Management	
1	l.Credit Software License	
1	e.Venue Software License	
5	Paciolan Concurrent User License	
(includes Paciolan Application Fee, UniVerse DBMS License and SB+ Runtime License)		
<b>Third Party Software</b>		
1	PACAnalytics Software License	
10	SB+ Client Windows/GUI Emulation\Software License	
<b>Third Party Credit Card Authorization Software</b>		
3	Merchant ID (Gateway Login)	
<b>3-D Secure Authentication (Optional)</b>		
1	Verified by Visa and MasterCard SecureCode	\$0.09 /per Transaction <sup>1</sup>
1	American Express Safekey	\$0.17 /per Transaction <sup>1</sup>
<b>p.ODBC (Windows Reporting Tool)</b>		
1	UVODBC License	
1	l.Res ODBC Dictionary	
<sup>1</sup> 3-D Secure Authentication Transactions to be billed monthly. Please note that 3D Secure Authentication may provides reduced chargeback exposure to merchants per the rules of Visa, Mastercard, and American Express. Please consult your merchant bank for further details on how this program applies to you. If you opt for 3-D Secure then it is required for all card types (American Express, Visa, and Mastercard)		

**HARDWARE, SOFTWARE AND SERVICES****Qty Description****SOFTWARE SUBSCRIPTION SERVICES****Hosting**

1	Annual Hosting Subscription	\$200,000
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**Advantage and DonorNet**

1	Annual Fundraisers Advantage and DonerNet Support	
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**Paciolan Concurrent User License**

1	Paciolan Concurrent User Annual License Subscription	
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**PACAnalytics**

1	PACAnalytics Annual License Subscription	
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**Point2Point Encryption**

1	Annual Maintenance & Encryption	
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1	Annual Service	
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**eQuery**

1	eQuery License Subscription	
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**Service Program**

5	Users, Premium Service Program (L.Res, t.Credit)	
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**HARDWARE, SOFTWARE AND SERVICES****Qty Description****PROFESSIONAL SERVICES\*****Project Management Services**

- 20 Day(s), Project Management Services

**Hosted Services**

- 1 Hosted Services Setup
- Project Management
  - RS/6000 Setup, Configuration and Testing
  - Communication to LAN Setup and Testing
  - Communication to CA processor Setup and Testing

**Installation and Configuration Services**

- 1 Day(s), Pre Installation Consulting/Network Connect
- 4 Day(s), Hardware Configuration & Installation
- 2 p.ODBC Installation
- 1 Credit Card Application Installation
- 2 Day(s), Merchant Services SetUp

**Implementation and Training Services**

- 15 Day(s), t.Res Business & Application Consulting
- 25 Day(s), t.Res Applications Training
- 10 Day(s), Ticketing Reporting (includes 3 HeatMaps)

**e.Venue Professional Services**

- 1 e.Venue Implementation
- Project Management
  - System Installation and Configuration
  - HTML - Standard Site Build
  - Initial Template Build (1 Template) for Print at Home and Laser Printing
  - Post Installation
  - e.Venue Training

**Data Conversion Services - Summary**

- 5 Day(s), Conversion Analysis
- 10 Day(s), Conversion Programming
- 5 Day(s), Conversion Testing

*Note: Summary conversions do not include payment transactional information and will not be run mid-season.*

**eQuery**

- 1 eQuery Implementation

**Allocation Program Services**

- 1 Ballena Seat Allocation Professional Services

**PACAnalytics SERVICES**

- 1 PACAnalytics Implementation and Training Services
- Initial Data Conversion (up to 2 Years of Data)
  - DataWarehouse to maintain up to 5 Years of rolling history.\*\*

**Note:**

Customer hereby authorizes, and provides a license to, Paciolan to use Customer's data processed and/or produced by the PACAnalytics Software product for purposes of developing best practices for the benefit of Customer and Paciolan's other customers, provided that such data may only be used by Paciolan for such purpose in aggregated and anonymous form (i.e. with personally identifiable information removed). The authority and license granted herein shall survive any termination of the Original Agreement. Data in the PACAnalytics Software reflects live data in the hosted t.Res Paciolan Software (i.e. deletions in t.Res data will result in deletions in PACAnalytics Software data).

**\*\*Additional data storage for extra Paciolan data or custom external data feeds that exceed the standard storage size can be purchased at an additional cost.**

TRANSACTION FEES	
Description	Term
<b>Single Ticket or Value/Misc. Item (1)</b>	
Per Price of Ticket or Value/Misc. Item Sold via e.Venue, GTW	8.0%
Minimum Fee Per Ticket or Value/Misc. Item	\$1.00
Maximum Fee Per Ticket or Value/Misc. Item	\$4.00
<b>Non-Athletic Single Ticket or Value/Misc. Item (1)</b>	
Per Price of Ticket or Value/Misc. Item Sold via e.Venue, GTW	8.0%
Minimum Fee Per Ticket or Value/Misc. Item	\$1.00
Maximum Fee Per Ticket or Value/Misc. Item	\$2.00
<b>Item Packages (2)</b>	
Maximum Fee Per an Item Package	Waived
<b>New Combo / Multiple Event Items / Season Tickets (3)</b>	
Per Price of Combo / Multiple Event Item Sold via e.Venue	Waived
<b>Student Season Tickets</b>	
Per Combo / Multiple Event Item Sold via e.Venue	Waived
<b>Renewals / Application Packages (4)</b>	
Per Season Renewal Order or Application processed via e.Venue (Note - includes 1st payment processed)	Waived
<b>Payment Plan Options</b>	
Per additional payments processed via e.Venue	Waived
<b>Online Donation Processing</b>	
Per Transaction Value processed via e.Venue	Waived
<b>Electronic Transfer</b>	
Per Single Ticket transfer processed via e.Venue	Waived
<b>Electronic Returns</b>	
Per Single Ticket returns processed via e.Venue	Waived
<b>e.Check Transactions</b>	
Per Check electronically processed	Waived
<b>Electronic Ticket / Item Delivery from e.Venue and Back Office System (5)</b>	
Per Order utilizing Print at Home	Waived
Per Order utilizing Patron ID Card/Device	Waived
<b>e.Venue Guaranteed Minimum Annual Fee (6)</b>	Waived
<b>Integrated Ticket Market Place</b>	
Per Total Cost to Buyer (7)	Waived
Per Price of Membership Sold (8)	Waived
<b>3rd party sales (9)</b>	
Per Single, Combo, Value Item transacted through Paciolan	Waived
<b>Processing fee for all sales paid via credit card</b>	2.7%
Refunded Credit Card Sales: processing fees for refunded credit card sales are \$0.75 per order	
<b>Settlement</b>	
Settlement shall occur Friday of each week for all sales that occurred the Monday through Sunday of the preceding week.	
<p>1 Per Ticket or Value Item Fee is based on the purchase price of each Ticket or Value Item transacted through e.Venue or Group Ticket Window, including non-ticket items such as merchandise. Zero-priced items sold will be charged the minimum fee for the item type. Value item includes gift certificate or miscellaneous item.</p> <p>2 Single Ticket or Value/Misc. Item fees apply to each item within an Item Package, up to the Maximum Fee Per an Item Package.</p> <p>3 Per Combo/Multiple Event Items Fee is based on the purchase price of each Combo/Multiple Event Item (including New Season or Subscription Tickets, Multiple Event Items, Mini Plans, and Designer Series) transacted through e.Venue. Fees will be applied per Combo Item, not per the number of events each combo item represents. Additional Tickets or Value Items sold in conjunction with a Combo Item will be charged at the applicable single Ticket or Value Item rate.</p> <p>4 Additional Tickets or Value Items (i.e., items not being renewed) sold on application will be charged at the applicable single Ticket or Value Item rate.</p> <p>5 Fees apply to orders assigning items to an electronic delivery method. Back Office systems include tRes and WBST.</p> <p>6 Minimum Annual Fee period will begin on July 1st and end on June 30th of each year, prorated from date site is implemented.</p> <p>7 Fee applies to total purchase price charged to buyer including ticket price and related fees paid by buyer</p> <p>8 Applies to membership fees charged to patrons for right to purchase items on Ticket Marketplace or Suite Marketplace</p> <p>9 Applies to 3rd party inventory sold through Paciolan client, or client's inventory sold through a 3rd party</p>	

**FEES AND PAYMENT TERMS**

<b>FEES</b>	
<b>ANNUAL HOSTING SUBSCRIPTION</b>	<b>\$200,000</b>
<b>PAYMENT TERMS</b>	
DUE ON July 1, 2017 and each July 1st thereafter thru Term of Agreement.	<u><b>\$200,000</b></u>

Note: The Annual Hosting Subscription is subject to an annual reduction of \$30,000 in the event Customer terminates its subscription to the Marketing Automation Application Services for convenience with 120 days advance notice pursuant to the Marketing Automation Subscription Addendum on Exhibit A.



## EXHIBIT C: MARKETING AUTOMATION SUBSCRIPTION ADDENDUM

This Marketing Automation Subscription Addendum ("Addendum") is a binding and enforceable legal agreement between Customer and Paciolan. "Application Services" means the provision of electronic access to one-to-one direct marketing software over a computer network and related technical support services. Customer represents and warrants that Customer is authorized to enter into this Addendum.

### **1. DEFINITIONS**

The "CAN-SPAM Act" means the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003.

"Confidential Information" shall have the meaning set forth in Section 5.

"Customer Data" means all electronic data or information submitted by Customer to the Application Services.

"Non-Public Personal Information" shall mean personally identifiable information, including, without limitation, social security numbers, financial account numbers (i.e. credit card, checking account, savings account, etc.), medical, employment, or insurance numbers, and passport numbers.

The "UIGE Act" means the Unlawful Internet Gambling Enforcement Act of 2006.

2. **USE**. Customer may use the Application Services only in and for Customer's own internal purposes and business operations contemplated herein. Customer may not use the Application Services as a service for any third party. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of the email marketing software accessed by Customer hereunder, in whole or in part, is granted except as expressly provided by this Addendum. Neither Customer nor any of Customer affiliates shall reverse engineer, decompile or disassemble the Application Services. Nothing in this Addendum will entitle Customer or any of Customer affiliates to access or use the source code of the Application Services. Customer shall not: (i) send via or store within the Application Services infringing, obscene, threatening, defamatory, fraudulent, abusive, or otherwise unlawful or tortious material, including that is harmful to children or violates third party privacy rights; (ii) send via the Application Services any unsolicited commercial or non-commercial communication; (iii) send via, upload to, or store within the Application Services any viruses, worms, time bombs, Trojan horses, and other harmful or malicious code, files, scripts, agents or programs; (iv) interfere with or disrupt the integrity or performance of the Application Services or the data contained therein; or (f) attempt to gain unauthorized access to the Application Services or its related systems or networks. Customer shall not (a) modify, copy or create derivative works based on the Application Services; (b) frame or mirror an content forming part of the Application Services, other than on Customer's own intranets or otherwise for its own internal business purposes; (c) reverse engineer the Application Services; or (d) access the Application Services in order to (i) build a competitive product or service, or (ii) copy any ideas, features, functions or graphics of the Application Services.

3. **EMAIL FOOTER**. Customer acknowledges and agrees that a default footer shall be added to each email sent via the Application Services, which footer shall include (i) the identification of the sender; (ii) instructions on how the recipient can opt-out of the future commercial mailings; (iii) the sender's valid physical mailing address; and (iv) a link to Customer's privacy policy.

4. **CUSTOMER RESPONSIBILITIES**. Customer is responsible for all activity that occurs within Customer account(s). Customer shall: (a) have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Customer Data; (b) prevent unauthorized access to, or use of, the Application Services, and notify Paciolan promptly of any such unauthorized access or use; and (c) comply with all applicable local, state, federal and foreign laws in using the Application Services, including without limitation the CAN-SPAM Act. Customer shall not upload to, or store within, the Application Services (and Customer Data shall not contain) any Non-Public Personal Information. Customer understands and acknowledge that: (i) Paciolan, in its reasonable discretion, may refuse to distribute any message content that Paciolan reasonably believes is defamatory, infringing, or otherwise unlawful; and (ii) Paciolan, in its reasonable discretion, may refuse to distribute any email to any recipient that Paciolan reasonably believes has not granted permission (or otherwise "opted-in") to Customer to send

such message(s) or that Paciolan reasonably believes is unlawful. Paciolan and Paciolan's applicable service provider has no obligation to supply or "scrub" any message recipient list; and Customer is solely responsible for the creation, initiation and sending of messages via the Application Services, including, but not limited to, the content, recipient, and timing of such messages. Paciolan also requires that Customer include in any email communications that Customer may make based on the Customer Data a mechanism to provide the recipient with the right to "opt-out" from receiving further communications from Customer and that Customer honor all opt-out preferences, whether received directly by Customer or indirectly through Paciolan.

5. **CONFIDENTIALITY**. Customer acknowledges that the Application Services and any other information provided to Customer by Paciolan incorporate confidential and proprietary information developed by, acquired by, or licensed to Paciolan ("Confidential Information"). Customer will take (and will cause Customer affiliates to take) all reasonable precautions necessary to safeguard the confidentiality of the Confidential Information. Neither Customer nor any of Customer affiliates will make any unauthorized use of the Confidential Information or disclose, in whole or in part, any part of the Confidential Information to any individual or entity, except (i) to those of Customer employees or consultants who require access for Customer authorized use of the Confidential Information and agree to comply with the use and nondisclosure restrictions applicable to the Confidential Information under this Addendum or (ii) as required by law or court order (specifically, without limitation, the Washington Public Records Act). Customer acknowledges that any unauthorized use or disclosure by Customer or any of Customer affiliates of the Confidential Information may cause irreparable damage to Paciolan. If Paciolan becomes aware of Customer breach or threatened breach of this Section 5, Paciolan may suspend any and all rights granted to Customer under this Addendum and shall be entitled to injunctive relief, without the need of posting a bond, in addition to all legal or equitable relief that may be available to Paciolan.

6. **INDEMNIFICATION**. Customer shall defend, indemnify, and hold Paciolan and its licensors harmless against any loss, damage, or cost (including reasonable attorneys' fees) incurred in connection with a claim, demand, suit, or proceeding alleging that (a) Customer Data infringes the intellectual property rights of a third party, (b) Customer use of the Application Services other than in compliance with the terms of this Addendum, or (c) Customer violation or alleged violation of applicable laws including without limitation, personal privacy laws and laws related to the distribution of email and other one-to-one digital communications, including without limitation, either the CAN-SPAM Act or the UIGE Act.

7. **REPRESENTATIONS AND WARRANTIES**. Customer represents and warrants that: (a) every recipient to whom a message is sent via the Application Services shall have given Customer consent ("opted-in") to send such message; (b) the Customer Data shall not infringe on any copyright, patent, trade secret or other proprietary right held by any third party; (c) Customer shall not use the Application Services in a manner that violates any international, federal, state, or local law or regulation relating to individual privacy or the distribution of email and other digital one-to-one communications, including but not limited to the CAN-SPAM Act; and (d) Customer engages in no activity in violation of the UIGE Act nor shall Customer use the Application Service to advertise or otherwise promote any activities that would violate the UIGE Act.

8. **OUTAGE POLICY**. CUSTOMER ACKNOWLEDGES AND UNDERSTANDS THAT PACIOLAN DOES NOT WARRANT THAT THE APPLICATION SERVICES WILL BE UNINTERRUPTED OR ERROR FREE AND THAT PACIOLAN MAY OCCASIONALLY EXPERIENCE HARD OUTAGES DUE TO INTERNET DISRUPTIONS THAT ARE NOT WITHIN PACIOLAN'S CONTROL. ANY SUCH HARD OUTAGE SHALL NOT BE CONSIDERED A BREACH OF THIS ADDENDUM.

9. **OWNERSHIP**. All trademarks, service marks, patents, copyrights, trade secrets, know-how, and other proprietary rights in or related to the Application Services, are and will remain the sole and exclusive property of Paciolan or its applicable service provider(s), whether or not specifically recognized or perfected under applicable law. Paciolan or its applicable service provider(s) shall own all rights, title and interest, including all intellectual property rights, in and to the Application Services, any improvements to the Application Services or any new programs, upgrades, modifications or enhancements thereto, even when such refinements and improvements result

from Customer request. No rights are granted to Customer hereunder other than as expressly set forth herein. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in Paciolan or its applicable service provider(s) by virtue of this Addendum or otherwise, Customer hereby transfers and assigns (and, if applicable, shall cause Customer affiliates to transfer and assign) to Paciolan or its applicable service provider(s) all rights, title, and interest which Customer or any of Customer affiliates may have in to such refinements and improvements. As between Paciolan's applicable service provider and Customer, Customer exclusively owns all rights, title and interest in and to all Customer Data.

10. **DISCLAIMER OF WARRANTIES.** EXCEPT AS MAY BE OTHERWISE SPECIFICALLY PROVIDED HEREIN, THE APPLICATION SERVICES ARE PROVIDED HEREUNDER "AS IS" WITHOUT WARRANTY OF ANY KIND. EXCEPT AS MAY BE OTHERWISE SPECIFICALLY PROVIDED HEREIN, TO THE MAXIMUM EXTENT PERMITTED BY LAW, PACIOLAN AND ITS APPLICABLE SERVICE PROVIDER(S) EACH EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, AND GUARANTEES WITH RESPECT TO THE APPLICATION SERVICES, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING, WITHOUT LIMITATION, STATEMENTS REGARDING CAPACITY, SUITABILITY FOR USE OR PERFORMANCE OF THE APPLICATION SERVICES, WHETHER MADE BY EMPLOYEES OF PACIOLAN OR OTHERWISE, WHICH IS NOT CONTAINED IN THIS ADDENDUM, SHALL BE DEEMED TO BE A WARRANTY BY PACIOLAN FOR ANY PURPOSE, OR GIVE RISE TO ANY LIABILITY OF PACIOLAN WHATSOEVER.

11. **CUSTOMER MARKS.** Paciolan and its applicable service provider(s) may use Customer trademarks and trade names ("Marks") solely in connection with the authorized provision of the Application Services. Any other use of Customer Marks shall be with Customer prior written consent and subject to all written guidelines regarding the use of Customer Marks.

12. **THIRD PARTY BENEFICIARY.** Paciolan's applicable service provider shall be deemed a third party beneficiary under this Addendum and Customer shall be liable to Paciolan's applicable service provider for any damages arising due to Customer's breach hereof to the same extent as if Paciolan's applicable service provider had been a signatory hereof.

13. **ANTI-SPAM CERTIFICATIONS.** Customer certifies that Customer is the owner of all email distribution lists distributed using the Application Services, and that Customer is solely responsible for the composition and membership of each list. Customer certifies that all subscribers to be used in connection with the Application Services have provided permission to Customer to send them email.

14. **TERMINATION.** Paciolan may immediately terminate this Addendum upon notice to Customer if Paciolan's applicable service provider or Customer receives notice from any governmental entity that Paciolan's applicable service provider (in connection with its provision of Application Services) or Customer alleged to be in violation of UIGE Act. Upon any termination for cause by Paciolan, Customer shall remain obligated to pay all fees owed for the remainder of the subscription term, all of which shall become immediately payable in full. Following the termination or expiration of this Addendum, Customer shall have 60 days to access its account and download/export Customer Data. Upon expiration of such 60-day period, Paciolan's applicable service provider may convert Customer's account to an inactive status. Paciolan's applicable service provider may delete all Customer Data upon Customer's account converting to inactive status. Customer may terminate this Addendum and Customer's subscription to the Application Services on June 30 of each year during the Term with 120 days advance notice. In

the event of such termination of this Addendum and the Application Services, Paciolan shall provide Customer with a reduction of \$30,000 of the Annual Hosting Subscription thereafter.

15. **GOVERNMENT CONTRACTS.** Paciolan's or its applicable service provider's performance of its obligation under this Addendum is not related to Customer's performance of any government contract it has, nor does it involve performing, undertaking or assuming any obligation that Customer may have under any government contract. Customer will notify Paciolan in writing any time such a situation arises or appears it may arise so that Paciolan's applicable service provider can determine if it wishes to alter its contractual relationship under those changed circumstances.

16. **TRANSITION.** At no additional charge, Paciolan may transition Customer to services provided by a different third party that are similar to the Application Services under similar terms and conditions.

## EXHIBIT D: HOSTED SERVICES ADDENDUM

### **Data Center and Services**

- Paciolan shall, at its sole expense maintain a central computer facility ("Data Center") at such location as it shall deem necessary for the operation of the System.
- Paciolan's Data Center is designed to have 7x24 availability with the exception of planned downtime for System upgrades and/or periodic maintenance that will be needed to ensure effective performance of the System and corresponding applications. These activities will require the hosted solution not be available to the Customer or external users for the duration of the maintenance or upgrade activity.
- Standard periodic maintenance will generally be performed during a standard maintenance window between 12:00AM and 4:00AM, Customer local time.
- Paciolan will provide Customer 48 hours advance notice for maintenance activities that will be performed outside the standard maintenance window and which will affect System availability. Paciolan will make all reasonable efforts to accommodate Customer's system availability needs outside of the standard maintenance window.
- Paciolan will make all reasonable efforts not to disrupt Customer business operations during system upgrades and will work with Customer to determine a mutually agreeable timeframe for such upgrades.
- Paciolan is responsible for system administrative activities including the following:
  - AIX and Universe administration
  - Software maintenance
  - Hardware maintenance and upgrades as needed for hardware owned by Paciolan
  - Reasonable backups of critical data
  - Monitoring of System availability and responsiveness

### **Security**

- Remote System access is controlled via firewalls.
- Controlled physical access to the Data Center
- Managed System administration level access is limited to Paciolan team members.

### **Other Products and Services**

- Secure data communications via a Paciolan-managed VPN between the customer's Local Area Network and Paciolan's Data Center. Customer is responsible for maintaining local Internet connections meeting minimum bandwidth requirements.
- Software upgrades, if and when available, for licensed copies of the Software hosted at the Data Center, will be provided as made generally available to hosted customers, but not more than once per year during the term of the Agreement.
- Any Third-Party software listed on the Investment Addendum for no additional charge (unless stated otherwise in the Investment Addendum)
- Support Services

**For the purpose of clarity, the following additional products, services, costs and fees are not included in the basic Hosting Services:**

- Third-party software not listed on the Investment Addendum, initial setup and monthly cost for frame relay connection to payment processor
- Custom programming
- Travel & related expenses
- Transaction fees set forth on the Investment Addendum attached to this Agreement.
- Additional training or consulting services requested during the term of the Agreement.

## EXHIBIT E: CRM STATEMENT OF WORK

This Statement of Work ("SOW") is subject to the Agreement.

### **1. Project Overview**

Paciolan offers implementation and ongoing consulting Professional Services for Customers of Salesforce.com ("SFDC"), an on-demand customer relationship management ("CRM") application. Customer shall be responsible for purchasing the SFDC products, licenses and subscription services pursuant to a separate agreement between SFDC and Customer.

### **2. Scope**

The scope of the Professional to be completed for Customer is set forth in this SOW. Paciolan's duties consist of: (i) installation of CUSTOMER's SFDC instance and (ii) administration and strategic consulting and support of the CUSTOMER's SFDC CRM application as set forth in Section 3.

### **3. Scoping, Timeline for Work and Service Level**

- a. This SOW is based upon the number of consulting hours required for Paciolan to provide the Professional Services.
- b. Professional Services consist of:
  - a. User set-up, security and profiles
  - b. Campaign, report and dashboard building
  - c. Data; Loading
- c. Service Level. Paciolan will use commercially reasonable efforts to provide a response to email or phone requests within 2 business days. Depending on the nature of the request, and whether or not the data that is needed is comprehensive, accurate and present, Paciolan cannot make commitments to the completion service level. Paciolan will provide an estimated time to complete after assessing all requests and will communicate that to the CUSTOMER. Paciolan assumes that end-users from CUSTOMER will be readily available to provide answers needed to complete SFDC CRM admin ongoing tasks / reports / campaigns / dashboards, etc.

### **4. Points of Contact**

Paciolan	Mark DiMaurizio	930 East Lincoln Highway, Suite 200 Exton, PA 19341	(267) 226-1943
Customer			

### **5. Assumptions**

Paciolan's performance of the Professional Services shall be contingent upon Customer's performance of the obligations below:

- a. CUSTOMER shall provide to Paciolan a SFDC administrative user name and password for use in the delivery of Professional Services identified in this SOW. Customer represents that Customer will have all rights, consents, authorizations and licenses to grant Paciolan such access.

- b. The Professional Services shall begin upon CUSTOMER's execution of the SOW.
- c. Technology Infrastructure – CUSTOMER is responsible for any needed work or activity related to acquiring and installing appropriate software and hardware to support the Professional Services.
- d. Software – CUSTOMER represents that it has all appropriate software licenses required for the systems in place for the Professional Services including the appropriate SFDC CRM license edition to accomplish the Professional Services (including data storage). Paciolan will use its own third party administrative tools, which will remain in Paciolan's possession.
- e. Standard Desktop Build – CUSTOMER represents that its desktop includes necessary software and versions as required by SFDC desktop components and plug-ins (ex. SFDC for Outlook plug-in). Additionally, all users have necessary desktop permissions required by SFDC desktop components and plug-ins if applicable.
- f. Desktop Deployment – Any software deployment will be the responsibility of CUSTOMER. Additionally, CUSTOMER's preferred mechanism for software deployment must be supported by SFDC.
- g. Customer Resources (Empowerment) – CUSTOMER will identify appropriate internal resources that will be available to work with Paciolan to conduct the Professional Services.

#### **6. Fees**

The fees in this SOW were developed using information gathered from documents and/or information provided by CUSTOMER. The Professional Services described in this SOW are based on such documents and information. Any Professional Services required outside of the Professional Services described herein shall be set forth in a separate Statement of Work.

The fee for the installation and for administration Professional Services for the Initial Term included in the Annual Hosting Subscription. CUSTOMER will receive one (1) in-person training visit per contractual year (July 1-June 30). If CUSTOMER requests any additional on-site visit(s) and then CUSTOMER will be billed expenses at cost as incurred.

SFDC licenses and third party products are not included the above fee.

#### **7. Payment Terms**

Paciolan will invoice CUSTOMER pursuant to the Fees and Payment Terms in the Investment Addendum. The SOW fee for Professional Services outlined above are exclusive of travel and expenses ("T&E").



## EXHIBIT F: VISUALIZATION ADDENDUM

This Visualization Addendum (the "Addendum") sets forth the terms and conditions applicable to the Professional Services and Paciolan Software subscription services to be provided by Paciolan pursuant to this Addendum.

### **1. Development of Visualizations.**

Subject to the terms, conditions, warranties and agreements herein, PACIOLAN agrees to develop, host and provide 3D visualizations of Husky Stadium and the Alaska Airlines Arena at Hec Edmundson Pavilion (the "Venues") specifically for use by CUSTOMER (the "Developed Works"). The Developed Works are intended for use by CUSTOMER in the promotion, marketing and sale of tickets to events at Venues subject to this Addendum.

#### **Scope of Work:**

##### **3D Visualizations of Venues**

PACIOLAN shall construct 3D visualizations. CUSTOMER will arrange for PACIOLAN's access and/or will instruct their third party vendors to ensure PACIOLAN has access to all reasonably requested materials, including drawings and/or site plans, existing computer generated images and photos of Venues and insure PACIOLAN that the any materials provided to Paciolan are not infringing on or in violation of any third party agreements, patents, copyrights, trade secrets, trademarks, invention, proprietary information, non-disclosure or other rights of third parties. CUSTOMER will provide third party points of contact to PACIOLAN as required.

The Developed Work and services (further described in Schedule 1) shall include:

- Panoramic views from all appropriate seat sections
- Seat Relocation tools
- Hosting of all Developed Works on PACIOLAN's servers
- License, maintenance and technical support.
- User data capture information. To the extent that any user data is collected, such data will be provided to CUSTOMER upon request.
- CUSTOMER may display visualizations on its website. PACIOLAN may also link to CUSTOMER's URL on PACIOLAN's server from the e.Venue website. All links will be to PACIOLAN's server as specified herein.

**Note:** See the Investment Addendum for fees that apply.

### **2. Acceptance of System.**

(a) **Delivery and Installation.** PACIOLAN shall install the Developed Work on PACIOLAN's server(s) along with any documentation and other materials required. PACIOLAN shall inform CUSTOMER of the Developed Work's readiness for testing by CUSTOMER (the date of such notification hereinafter being referred to as the "Installation Date").

(b) **Acceptance Date.** When PACIOLAN's diagnostic acceptance tests establish that the Developed Work delivered is performing in accordance with the Scope of Work shown in Section 1 above, CUSTOMER shall promptly test the Developed Work. Acceptance of the Developed Work shall be in accordance with Section 13(A) of the Agreement. A non-exclusive license will be given to CUSTOMER by PACIOLAN upon the acceptance.

### **3. Payment/Term.**

CUSTOMER agrees to pay PACIOLAN for the delivery of the Developed Work and services in accordance with the Investment Addendum.

CUSTOMER will make available four seats to PACIOLAN upon reasonable request and availability, for not more than two games during the course of the applicable season, during the term of the Addendum.

Any additional future updates, designs or visualization modifications by PACIOLAN to Developed Works during the term of this Addendum, as requested by Customer shall be at Paciolan's then current Professional Services rates.

**4. Ownership.**

- (a) The parties hereto expressly acknowledge and agree that this Addendum constitutes a non-exclusive license granted by PACIOLAN to CUSTOMER for the use, access to and display of the Developed Works as hereinabove described during the Term of this Addendum. The Developed Works, together with all other PACIOLAN trademarks, service marks, inventions, processes and know-how (collectively the "PACIOLAN Intellectual Property") provided pursuant to this Addendum shall at all times during the term of this Addendum, and surviving the termination of this Addendum for any reason whatsoever, remain the sole and exclusive property of PACIOLAN and shall not constitute a work made for hire. No right, title or interest in the PACIOLAN Intellectual Property shall be conveyed, transferred or inure to the benefit of CUSTOMER and any licensed use of the Developed Works shall immediately terminate upon the expiration or termination of this Addendum for any reason. The foregoing license is limited to the uses specified herein, and CUSTOMER cannot use the Developed Work for integration into other CUSTOMER programs or systems or purpose other than so stated herein without the expressed written permission of PACIOLAN.
- (b) Use of CUSTOMER Intellectual Property. CUSTOMER intellectual property, including trademarks, logos, design, product identification, decals and artwork displayed in connection with the Developed Work shall be and remain the property of CUSTOMER, provided, however, that PACIOLAN shall have access to and use of such CUSTOMER intellectual property as may be reasonably necessary for completion of the Developed Works contemplated herein. Any and all rights under CUSTOMER intellectual property, including trademarks or copyrights or other property right thereof shall be to the benefit of CUSTOMER.
- (c) Except as expressly provided herein, neither party shall have the right to use in any way the corporate or trade name, trademark(s), service mark(s), logo(s) or other identification of the other party or its affiliates without the other party's prior written consent. For the avoidance of doubt, this Section 4 shall survive termination of the Agreement.

**5. Continuing Vendor Support to the Customer.**

PACIOLAN agrees to provide CUSTOMER with assistance reasonably required to permit CUSTOMER to use the Developed Work on PACIOLAN's server. Such PACIOLAN support shall include assistance with site planning, installation of components, design, programming, and reasonable modifications from agreed upon Scope of Work herein subject to approved expenses of PACIOLAN by CUSTOMER. PACIOLAN shall provide basic maintenance and technical service as described for the term of this Addendum included in the price herein specified.

**6. Responsibility.**

CUSTOMER acknowledge and agree that any 3D visualizations provided by PACIOLAN as a Developed Work are approximate representations only and based only upon such information and data as is available to PACIOLAN by CUSTOMER. PACIOLAN is not liable for any claim, action, costs, damages, fees or other adverse action from any CUSTOMER customer, client, consumer or other third party arising from any such the use of or access to any Developed Work by such third party.

## Schedule 1 To Visualization Addendum

### **I. SCOPE OF WORK – Description of the Developed Work (*Seats3D™*), subject to pricing and product selection in the Addendum:**

Paciolan will perform the work on a turnkey basis including design, customization, and maintenance of web pages, along with 3D visualizations, including overhead views and seat section panoramas.

#### A. *Seats3D™* Package

Paciolan will create a *Seats3D* page branded for the Customer at the Venues, which visitors will access through the Customer home page. The page will have its own URL; branded overhead navigation pages, with links to the seat views, etc.

1. Branded Web Pages:

**Husky Stadium:** Venue overhead navigation and seat section panoramas of Venue's football configuration complete with Customer colors, pricing, and logos.

**Alaska Airlines Arena at Hec Edmundson Pavilion:** Venue overhead navigation and seat section panoramas of Venue's men's and women's basketball configuration complete with Customer colors, pricing, and logos.

2. High resolution seat views, (also referred to as panoramas), will be displayed from seating sections throughout the Venues. Seat section views are typically 360-degree panoramic images. The number of views per section will be determined by the size of the section and price breaks.

3. The main navigation page will link to:

- Purchase Tickets (your "Tickets" page)
- *Email-to-a-Friend* (the selected web page)
- The *Find-Your-Seat* utility

4. The *Find-Your-Seat* utility allows visitors to pull up a panoramic seat view by entering in the section and row number into an onscreen field.

5. The *Email-to-a-Friend* utility allows sales staff & fans the ability to email specific panoramic views. *Email-to-a-Friend* is a web-based tool that has the ability to gather user data.

6. Social Media Tools – Paciolan will collaborate with the Customer to allow fans to upload a link to their selected seat view from the *Seats3D* map to their Facebook or Twitter account.

## II. INSTALLATION SUPPORT

General Note: The files and programs necessary to view the visualizations reside on Paciolan's internet server. The visualizations are viewable by Internet capable computers using Internet Explorer or Netscape 8 or above.

- A. During the development of the 3D model from which visualizations are derived, Paciolan will need to interface with Customer personnel authorized to:
1. Obtain as built and/or as conceived plans and drawings.
  2. Arrange for a site visit by Paciolan staff.
  3. Approve the 3D model at pre-completion stages.
  4. Approve final visualizations.

Paciolan will designate a Project Manager to work with CUSTOMER'S representative throughout the project.

- B. Paciolan's navigational web interface includes help screens.

## III. MAINTENANCE, AND TECHNICAL SUPPORT

- A. Paciolan's standard technical support for the service provide under this Addendum are supported by the same team of professionals who build the 3D model and visualizations. Daily backups of the server files and 24/7 server response are also included. Changes to copy, graphics, logos, and coloring that do not require alterations to the 3D model or re-rendering of panoramic images is included as standard maintenance.

As all files and programs reside on Paciolan's Internet Server, there is no need for Paciolan to access Customer servers.

- B. User statistics will be sent upon reasonable request.

## IV. SRMS SCOPE OF WORK – Overview of the Developed Work (SRMS)

### A. Seat Relocation Management System:

Paciolan will customize and license its Seat Relocation Management System (SRMS) Paciolan Software subscription service which allow donors to see specific seat options and select their desired seat for the collegiate year beginning on July 1, 2017 and ending on June 30, 2018 ("Year 2"). The selection(s) will be stored in a central database and transferred via csv file for import into CUSTOMER'S CRM system. An administration page will allow Customer staff to control availability shown on the site and donor access to the system.

PACIOLAN will manage one online seat selection process for the Husky Stadium Venue during Year 2 only . The Seat Selection process within Year 2 of the Addendum is defined as:

- One set of code (approved by CUSTOMER)
  - Future uses will use the same set of code – changes will require additional fees
- One complete data upload (customer accounts, customer pre-allocated seats, seat availability, price matrix, seat manifest)
  - Once the initial upload is made changes may require an additional fee
  - Adding customers during the process can be done by the CUSTOMER in the admin pages
  - Mass uploads of new customers is not recommended without resetting the system (doing so will may require additional fees)
- One plan within a price type (i.e. season tickets)

- Additional price types/plans will require additional fees
- Parking may be included for selection of GA lots. Lots with individually reserved spaces may be included for an additional fee.

#### **B. SRMS Administrative Site:**

Data will be transferred via csv file in and out of the Administrative site. Customer information (customer name, account number, PIN number, # of seats to select, selection time), will be uploaded into the *SRMS*. Once the selection period has begun, CUSTOMER staff can export any customer file that has made their selections, or edit files in the Administration pages.

### **V. SRMS DEVELOPMENT, HOSTING & MAINTENANCE**

#### **Development:**

- A. During the development of the Customer customized *SRMS*, which will be a Developed Work, Paciolan will work with Customer personnel authorized to:
  - a. Determine the site functionality and design.
  - b. Obtain current seating manifests.
  - c. Approve *SRMS* at pre-completion stages.
  - d. Approve final product for launch.

Paciolan will designate a Project Manager to work with designated Customer representatives throughout the project.

#### **Hosting:**

The files and programs necessary to view the visualizations will reside on Paciolan's Internet Servers. The visualizations are viewable by Internet capable computers using Internet Explorer (including Internet Explorer 7.0) or Netscape 6.7, Firefox 1.5 and Safari 1.4 on Mac OS X 10.4+.

- A. Paciolan's *SRMS*'s navigational web interface includes help screens and an instructional video.
- B. Global Administrators will be able to access all statistics in the Administrative site for the product and each Venue will have access to their own stats.

#### **Maintenance:**

(a) Paciolan's standard technical support is supported by the same team of professionals who build the *SRMS*, 3D model and the visualizations. Paciolan will manage and monitor the server hosting the *SRMS* in order to make requested changes to copy, graphics, logos, and coloring, which do not require alterations to the 3D model, re-rendering of panoramic images, redesigning web sites, is included as the standard maintenance.

(b) As all files and programs reside on Paciolan's Internet Server, there is no need for Paciolan to access Customer servers.

## EXHIBIT G: MERCHANT SERVICES ADDENDUM

This Merchant Service Addendum ("Addendum") sets for certain terms, conditions, obligations and commitments by Paciolan and Customer applicable to the merchant credit card processing services ("Services") to be provided by Paciolan to Customer. This Addendum is hereby incorporated by reference into the Original Agreement.

### **1. PCIDSS.**

Paciolan will achieve and maintain Payment Card Industry Data Security Standard ("PCIDSS") compliance against the version of PCI DSS published on the PCI SSC (PCI Security Standards Council) website. Upon Customer's written request, Paciolan will provide Customer with evidence of its compliance with PCI DSS. Paciolan acknowledges that Paciolan is responsible for implementing and maintaining reasonable security measures in compliance with PCI DSS for the security of cardholder data that Paciolan stores, processes or transmits on behalf of Customer. In the event of a known breach, or intrusion of, or otherwise unauthorized access to cardholder data stored at or for Paciolan on behalf of Customer, Paciolan shall immediately notify Customer, and provide Customer and its Qualified Security Assessors (QSAs) with reasonable access to Paciolan's applicable facilities, personnel and records to conduct a review of Paciolan's compliance with the PCI DSS requirements. Paciolan will not be liable for the disclosure, monitoring, loss, alteration or corruption of cardholder data or other customer data to the extent it results from Customer's failure to implement and enforce reasonable security measures, including but not limited to comply with this Addendum and currently acceptable PCI DSS controls, to protect against the unauthorized use of facilities, computing devices, network access, and passwords.

### **2. Paciolan Obligations and Responsibilities.**

- a. Paciolan, in its hosted center, will maintain a network with firewalls and will monitor and test the network security. Paciolan will oversee an annual Self-Assessment Questionnaire (SAQ) process and training for its personnel.
- b. Paciolan will provide Point-to-Point Encryption (P2PE) devices and associated solution for purposes of its compliance obligations in this Addendum. Paciolan will undertake the following:
  - i. Administer and monitor the chain of handling of the P2PE devices.
  - ii. Monitor the compliance validation of any third-party Services providers of Paciolan, with whom Paciolan would be sharing cardholder data.
  - iii. Develop, implement, maintain, communicate and document security policies and operational procedures for protecting stored cardholder data.
  - iv. Maintain a list of P2PE devices deployed at Customer location, including method of identification of such devices.

### **3. Customer Obligations and Responsibilities.**

- a. In order to begin accepting credit card payments, each Customer business unit must receive prior written approval from Paciolan, which may be via email. All Customer business units that process credit card and debit card transactions under Paciolan's Services must ensure that the payment process and related recordkeeping procedures follow Paciolan's policies and procedures, PCIDSS and all applicable laws. These procedures apply to all Customer employees, contractors, tenant teams, outlets, students, agents, vendors and other personnel ("Customer Personnel") involved in the processing of debit and credit card payments in connection with the Services. Customer shall be responsible and liable for Customer's Personnel's compliance with this Addendum.
- b. Customer will be responsible for ensuring all users of Paciolan's ticketing systems, services and environment (System) employed, engaged, contracted, retained by or associated with Customer, including but not

limited to, Customer Personnel, follow comply with this Addendum. Customer will complete an annual review of this Addendum and verify its and its Customer Personnel's commitment to comply with this Addendum, provide adequate training and informational meetings to Customer Personnel handling credit card functions, and implement appropriate procedures as provided in this Addendum. In addition, Customer:

- i. Will ensure all payment processing is only via the validated PCI Point-to-Point Encryption (P2PE) solution approved and listed by Paciolan, unless Paciolan authorizes the use of other means in circumstances wherein the P2PE solution provider has outages or maintenance.
  - ii. Will ensure that the only systems in the Customer environment that process or transmit account data are the Point of Interaction (POI) devices, using Paciolan approved payment application (Pac7) which are approved for use with the validated and PCI-listed P2PE solution.
  - iii. Will not otherwise receive or transmit cardholder data electronically.
  - iv. Will Implement all controls in the P2PE Instruction Manual (PIM) provided by the P2PE Solution Provider.
  - v. Will protect the P2PE devices that capture payment card data via direct physical interaction against tampering and substitution, by periodically inspecting such devices, training Customer Personnel to be aware of suspicious behavior and reporting any tampering or substitution of such devices.
  - vi. Ensure that each Customer Personnel read and comply with this Addendum.
- c. Customer shall be responsible for and ensure the following:
- i. Any Customer department and/or Customer Personnel that accepts, captures, stores, transmits and/or processes credit or debit card information must comply with this Addendum and participate in the annual self-assessment process and training.
  - ii. Only authorized and properly trained Customer Personnel may accept and/or access credit or debit card information. No other individuals may have access to credit card information.
  - iii. Customer may only accept and process credit and debit card payments by methods that are approved by the Paciolan's authorized personnel. Customer may only utilize card payment methods authorized in writing by Paciolan's authorized personnel.
  - iv. Paciolan has contracted with VISA Cybersource to provide credit card payment gateway services and Bluefin Payment Systems to provide PCI-DSS validated P2PE card-swiping devices. The Bluefin Payment Systems' ID Tech SRedKEY device is the authorized method of payment processing for on-line credit card transactions. Paciolan uses a version of Cybersource which has also been certified as compliant with PCI-DSS.
  - v. Electronic storage of credit card information at Customer location devices will not occur because of the increased risk that it presents.
  - vi. Each Customer Personnel who has access to credit or debit card information is responsible for protecting that information on behalf of Customer. Credit and debit card information must be securely destroyed as soon as it is no longer necessary to maintain the information by Customer. Physical documents containing credit or debit card information must be stored by Customer in secured access-controlled locations such as locked cabinets. The validation code and personal identification number should not be stored in any form. In no case should credit card information be transmitted by Customer or Customer Personnel via insecure protocols like email or text message.



- vii. Each Customer department that handles credit card information must have written procedures for complying with PCI-DSS and providing appropriate segregation of duties.
  - viii. Suspected theft of credit or debit card information or inappropriate activity must be reported immediately to Paciolan's Technical Security Staff and Paciolan's Customer Services Department.
- d. Customer shall ensure that Customer and Customer personnel comply with the following:
- i. Customer and Customer Personnel will NOT do the following:
    - 1. Do not transmit cardholder's credit card data by e-mail or fax;
    - 2. Do not store credit card data for repeat customers on paper in an unsecured area;
    - 3. Do not store PIN or CVV2/CVC2/CID number;
    - 4. Do not electronically store on any system, computer file or server, any unencrypted credit card data;
    - 5. Do not electronically store any credit card data on laptop or PC's;
    - 6. Do not share user IDs for systems access;
    - 7. Never acquire or disclose any cardholder's data without the cardholder's consent;
    - 8. Do not use Paciolan TRes product (via SBClient) to process, transmit or look-up credit card data; and
    - 9. Do not perform any credit card related functions (Process, transmit or look-up) via the Pac7 interface with the check box for "Use Encrypted Card Reader" unchecked within the payment options under Pac7 controls.
  - ii. Customer and Customer Personnel will do the following:
    - 1. Store all physical documents containing credit card data in a locked drawer, locked file cabinet, or locked office;
    - 2. Maintain strict control over the internal and external distribution that contains credit card data;
    - 3. Change vendor supplied or default passwords;
    - 4. Ensure that passwords conform with Paciolan's information security rules and recommendations"
      - a. Require all passwords to be at least 7 characters in length;
      - b. Require complex passwords, consisting of both numeric and alphabetic characters; and
      - c. Require that new passwords for operator user accounts cannot be the same as the four previously used passwords.
    - 5. Properly dispose of any media containing credit card data;
    - 6. If Customer receives an unencrypted email from a customer with credit card data notify the customer that they should no longer send this information via email and delete email immediately;
    - 7. Process all credit card related transactions only using the Pac7 application via the ID Tech SRedKey device only;
    - 8. Establish, publish and maintain an information security policy for Customer Personnel and disseminate to all relevant Customer Personnel. Review and update such policy at least annually; and
    - 9. Ensure all users of the Services and handling functions related to credit cards, review this Addendum and acknowledge the responsibilities.

e. Customer's or Customer Personnel's failure to comply with this Addendum may result in (i) loss of Customer's ability to process credit card transactions, (ii) substantial fines and (iii) increased auditing requirements if such failure results in a data breach of the credit card information. If Customer or Customer Personnel breach any term of this Addendum, Paciolan may suspend or terminate this Addendum and the Services.

f. If Paciolan is required to undertake remedial action and/or incur penalties, costs and expenses due to Customer's failure to perform its obligations under this Addendum or Customer's breach of this Addendum, then Customer will reimburse Paciolan for such penalties, expenses and costs. For the purposes of this section, remedial action may include, without limitation, improvements to Customer security measures; notice to individuals, credit reporting agencies, public authorities and other entities; Paciolan service support; credit monitoring and defense and satisfaction of third party claims.

g. Customer agrees to defend, indemnify and hold harmless Paciolan, its affiliates, and each of their respective directors, officers, managers, employees, members, shareholders and agents and all of their respective successors and permitted assigns (collectively, the "Indemnitees"), against, and to hold the Indemnitees harmless from, any and all judgments, expenses, fines, penalties, or other losses which may be suffered by, imposed on, or incurred by any of the Indemnitees as a result of: (a) any breach of this Addendum by Customer or its agents, or employees and (b) Customer's violation of any laws, including, without limitation, all applicable federal, state and foreign privacy and data protection laws.

h. Customer shall provide Paciolan with reasonable access to Customer's applicable facilities, personnel and records to conduct a review of Customer's compliance with this Addendum.

# University of Washington - Data Security and Privacy Agreement

## THIS DATA SECURITY AND PRIVACY AGREEMENT (DSPA)

IS HEREBY INCORPORATED INTO AND AMENDS THE ATTACHED CONTRACT BETWEEN THE UNIVERSITY OF WASHINGTON (UNIVERSITY) AND VENDOR, AS OF THE "EFFECTIVE DATE" LISTED BELOW. In consideration of the mutual promises in the Contract and other good and valuable consideration, the parties agree as follows:

### I. DEFINITIONS

1. **"University Data"** means all records and information created, received, maintained, or transmitted by the University which is accessed, created, used, stored, copied, or distributed by Vendor, in connection with the Work under the Contract.
2. **"Work"** refers to all services, work, and all activities involved in providing the products, deliverables, or other obligations that are the subject of the Contract.
3. **"Vendor Group"** means, collectively, Vendor and all of Vendor's subcontractors, vendors, suppliers, agents, assignees, and their employees involved in the Work under the Contract.
4. **"Data Breach"** means, for the purposes of this DSPA and Contract, any adverse event where there is harm to University Data. This includes, but not by way of exclusion, events indicating that University Data may have been accessed, disclosed, or acquired without proper authorization and contrary to the terms of this DSPA or the Contract.
5. **"Malicious Code"** refers to malware, spyware, adware, ransomware, rootkit, keylogger, virus, trojan, worm, bot, or other code or mechanism designed to, without consent collect information, gain access, assert control, alter, and/or cause harm to the systems or data of an effected host, network or environment.

### II. DECLARATIONS

Parties understand and acknowledge:

1. University retains all ownership, title, rights, and control over all forms of University Data. Any privileges or license granted to Vendor Group under this DSPA or the Contract shall be narrowly construed, to permit only the least amount of access, creation, use, storage, copying, and/or distribution of University Data that is necessary for the Work. University control over University Data specifically includes determining notification requirements in a potential Data Breach.
2. Vendor is in the best position to control the manner and means of how the Work is performed. Therefore, the express intent of the parties is to hold Vendor accountable for information security and practices of Vendor Group, but only as they pertain to the Work.
3. Vendor conducts business consistent with leading principles and practices of information security and privacy.
4. University has a continuing valid interest in obtaining current records and information from Vendor as assurance that Vendor Group is meeting expected standards of performance, and to substantiate Vendor's representations.

### III. OPERATIVE PROVISIONS

#### 1. STANDARD OF CARE

- a. Vendor represents and warrants that, with regard to protecting the confidentiality, availability, and integrity of University Data, and safeguarding the privacy rights of individuals identified by University Data, the Work shall be undertaken with all due care, skill and judgment commensurate with good professional practices.
- b. Vendor represents and warrants that the Work shall be undertaken by fully trained and experienced professional personnel capable of efficiently performing work commensurate with the required standard of care.

#### 2. PRIVACY

##### a. **General duty to limit collection and use of data.**

Vendor represents and warrants that in connection with the Work:

- i. All use of University Data by Vendor Group shall be strictly limited to the direct purpose of performing the Work, except to the extent that University has expressly grants permission in writing for such additional uses.
- ii. Collection of data which identifies individuals shall be limited to the minimum required by the Work or as set forth in the Contract.
- iii. Where University is subject to duties and restrictions over the permissible use of University Data arising from the rights of third parties, Vendor Group be bound by and shall comply with any and all such duties and restrictions to the extent set forth in the Contract.
- iv. If Vendor Group creates technical system log information, aggregated technical usage or traffic data, and/or statistically measured technical usage or traffic data that contains or originated (in whole or part)

# University of Washington - Data Security and Privacy Agreement

from University Data, then Vendor Group's use of such data shall be strictly limited to the direct purpose of the Work and Vendor Group's technical security operations and systems maintenance. Vendor Group is prohibited from using such data that personally identifies an individual for secondary commercial purpose (including but not limited to marketing to such individuals, or disclosing data to third parties for reasons unrelated to the primary purpose for originally collecting the data), nor may Vendor Group solicit consent from the identified individual to do so unless the Contract defines a means to do so that does not unduly burden individual privacy rights. Aggregated and anonymized University Data may be used per the Contract only if expressly set forth in the Contract.

- v. Markings shall be preserved on all University Data indicating copyright, trademark, other proprietary intellectual property interest, reason for confidentiality, or restrictions on distribution.

**b. General duty to protect the confidentiality of University Data.**

University Data shall be considered confidential by Vendor and Vendor shall have duties, herein defined, and related to the non-disclosure and protection of the confidentiality of such University Data. Vendor represents and warrants that University Data :

- i. Shall not be published, copied, or disclosed to other parties, except at the written direction or with the permission of University.
  - ii. Shall only be duplicated and distributed within Vendor Group to the extent necessary to adequately perform the Work.
  - iii. Shall be protected by rigorous safeguards (which meet or exceed the required standard of care) against unauthorized disclosure and/or alteration.
- c. University Data shall not be considered confidential under the following circumstances: (a) the information is available to the public, but not due to a Data Breach, or fault of the Vendor; or (b) the record and information was independently obtained by Vendor from a third party who is lawfully in possession of such information and not bound by a non-disclosure obligation with respect to such information; or (c) the record and information was already in Vendor's possession for reasons unrelated to the Contract or an existing agreement with University.

### 3. COMPLIANCE

- a. Vendor represents and warrants the Work, the handling of University Data, and the general conduct business with University, shall all be undertaken in full compliance with any and all statutes, regulations, rules, standards and orders of any official body with jurisdiction over Vendor Group or University that apply to the Work performed by Vendor under the Contract.
- b. Where the Work or University Data is subject to Family Educational Rights and Privacy Act (FERPA) and the use of educational records within the context of the Work is consistent with a "legitimate educational interest".
- c. Where the Work or University Data is subject to the Export Administration Regulations (EAR), or International Traffic in Arms Regulations (ITAR), Vendor shall provide the University Office of Sponsored Programs such assistance as necessary to ensure compliance.

### 4. COMPELLED DISCLOSURE

If any member of Vendor Group is served with any subpoena, discovery request, court order, or other legal request or order that calls for disclosure of any University Data, then Vendor shall promptly notify the University unless specifically prohibited by law from doing so. Notification is not prompt if, due to Vendor's delay, University lacks sufficient time to raise objections to the disclosure, obtain a protective order, or otherwise protect University Data by limiting disclosure. Vendor Group shall at Vendor's expense, provide University prompt and full assistance in University's efforts to protect University Data.

### 5. DATA BREACH RESPONSE

- a. If the nature of the Work involves Vendor Group equipment, software, product(s), host(s), network(s), or environment(s) that may expose University Data to a potential Data Breach, then Vendor shall have an appropriate incident response plan. University may, at its discretion, require Vendor to participate in reasonable response planning for Data Breach scenarios and/or "lessons learned" activities following an event that was or might have been a Data Breach.
- b. If Vendor is aware of a Data Breach(es) that has occurred on any of Vendor Groups' equipment, software, products, host(s), network(s), or environment(s), then Vendor shall promptly (and shall not exceed the time periods as may be required by applicable law) alert the University while also taking such immediate actions as may be necessary to preserve relevant evidence, identify the nature of the event, and contain any Data Breach. As soon as becomes practicable, Vendor shall provide the University a written notice describing the Data Breach incident, and provide University further information updates to help University understand the nature and scope of the event. Vendor shall advise University as to what information and assistance is needed from

# University of Washington - Data Security and Privacy Agreement

University in order to eliminate the cause, and mitigate the adverse effects of any Data Breach. Vendor shall prioritize devoting sufficient resources as may be required for this effort.

- c. Unless Vendor is compelled by law to provide notification to third parties in a particular manner, University shall control the time, place, and manner of such notification.
- d. If recovery from the adverse effects of the Data Breach necessitates Vendor's assistance in the reinstallation of Vendor Group's technology product(s) (including hardware or software) that are connected with the Work, then Vendor shall cause such assistance in reinstallation to be provided. If Vendor Group is responsible for the Data Breach, then reinstallation assistance shall be at no cost to the University.
- e. If the parties mutually agree that services or technology provided by the Vendor are a source of the Data Breach, and present an unreasonable risk, then the University may opt to discontinue use of that source of the Data Breach and Vendor shall undertake commercially reasonable efforts to replace the terminated service.

## 6. INFORMATION SECURITY ARCHITECTURE

- a. This section III.6 applies to the extent that Vendor Group owns, supports, or is otherwise responsible for host(s), network(s), environment(s), or technology products (including hardware or software) which may contain University Data.
- b. Vendor agrees that the design and architecture of Vendor Group's systems (including but not limited to applications and infrastructure) shall be maintained and operating in ongoing compliance with then-current PCI-DSS security requirements published by the PCI Security Standards Council ([pcisecuritystandards.org](http://pcisecuritystandards.org)).
- c. Vendor's technology and processes shall be reviewed regularly and undergo an annual audit by an accredited third party to validate current compliance for all PCI-DSS services related to the Work. Upon written request, Vendor shall furnish University with substantiation of PCI-DSS compliance validation. If the Vendor fails a PCI compliance assessment such that its most recent PCI Attestation of Compliance will become older than one year and fails to cure within a reasonable period of time, as evidenced by the records available on authoritative industry websites (e.g., the Global Registry of Service Providers on [www.Visa.com](http://www.Visa.com)), then Vendor shall notify University to communicate the issues, nature of the risks, and the corrective active plan (including the nature of the remediation, and the time frame to execute the corrective actions).

## 7. DSPA RIGHTS AND REMEDIES

All University rights and remedies set out in this DSPA are in addition to, and not instead of, other remedies set out in the Contract, irrespective of whether the Contract specifies a waiver, limitation on damages or liability, or exclusion of remedies. The terms of this DSPA and the resulting obligations and liabilities imposed on Vendor and Vendor Group shall supersede any provision in the Contract purporting to limit Vendor or Vendor Group's liability or disclaim any liability for damages arising out of Vendor or Vendor Group's breach of this DSPA.

## 8. INDEMNIFICATION

Vendor further agrees to defend, indemnify and hold University harmless from and against any and all third party claims, demands, suit, proceedings, judgment, award, damages, costs, expenses, fees, losses, fines of a penal nature, civil penalties, and other third party liabilities to the extent caused by Vendor's breach of this DSPA.

## 9. INFORMATION SECURITY AND PRIVACY INSURANCE

- a. In addition to the types of insurance, and limits of insurance required by Contract, Vendor shall, at its own expense, provide and maintain in force with insurance companies the kinds of insurance and minimum amounts of coverage set forth in subsection "b." Cognizant of the variety of policy forms currently within the insurance industry, the coverages provided under this section may be maintained in one or more types of insurance policies. However, regardless of the types and forms all policies shall:
  - i. Name the Board of Regents of the University of Washington as an additional insured for vicarious liability. This requirement is waived for professional liability policies.
  - ii. Include cross-liability coverage
- b. The types of coverages required under the Contract by this DSPA are:
  - i. **Internet Professional Liability/ Errors and Omissions Coverage**, with limits of at least \$2 million per occurrence / in the aggregate. Relevant policies must include coverages for:
    - 1. Where the nature of Work includes providing a service for a fee: claims arising out of a failure of the insured's **internet professional services** or claims arising out of the rendering or failure **technology services** by insured. Works requiring cover include, without limitations, activities by Vendor's as an internet service provider, application service provider, web portal, web content developer, web site or

# University of Washington - Data Security and Privacy Agreement

web-facing application designer, professional services provider that delivers some portion of such services over the internet. Types of claims include, without limitation: any form of improper "deep-linking", plagiarism, misappropriation of intellectual property (except patent and trade secrets), and/or unauthorized disclosure of trade secret, confidential, or other protected private or personal information.

2. Where the nature of the Work includes providing or relying upon a product: claims arising from the failure of **insured technology products** (including hardware and software) to perform its intended function or purpose.
  3. Where the nature of the Work includes any activities involving access by Vendor to University's hosts or networks, and/or requires Vendor Group to store University Data: claims arising from insured **security / privacy** controls failure including but not limited to: failure of contractor to prevent the transmission of Malicious Code; failure to prevent unauthorized host or network use; failure to prevent unauthorized host or network access; failure to handle, manage, store, destroy, or otherwise control University Data; failure to prevent collection of protected personal information.
- ii. **Cyber Liability/ID Theft and Extortion Insurance**, with limits of at least \$1 million per occurrence and \$2 million in the aggregate. Relevant policies must include coverages for:
    1. Claims arising from **Cyber Extortion** or any credible threat or series of related threats to attack insured hosts or networks in a specific way.
    2. Claims arising from **Crisis management, response costs and public relations expense, excluding forensics and legal breach response services**.
    3. Claims arising from a **Loss of Data** or **Denial of Service** incident effecting insured host(s) or network(s)
  - iii. Where the potential net aggregate compensation paid or to be paid by University to Vendor over the term of the Contract exceeds \$25,000: **Umbrella liability**, with limits of at least \$1 million in the aggregate in support of the "Information Security and Privacy Indemnity" obligations excluding Cyber Liability voluntarily assumed by Vendor under §III.8 of this DSPA, which after other coverages required of Vendor Group under the Contract or this DSPA, shall be primary to any other insurance of the University, but only for the risks and liabilities assumed under the Contract or this DSPA.
  - c. Failure of any member of Vendor Group to comply with insurance requirements does not limit Vendor's liability or responsibility.
  - d. Vendor shall provide the University of Washington Procurement Services Department, at 3917 University Way NE, Seattle, WA 98105-6692, with a certificate of insurance evidencing proof of insurance coverage, within thirty (30) calendar from the Effective Date of the Contract, or prior to commencement of the Work, if requested by University. Upon University's request, Vendor shall furnish to University copies of renewal certificates of all required insurance within thirty (30) calendar days after the renewal date. Either insurer(s) or Vendor shall provide University with thirty (30) days prior written notice of termination of policy.
  - e. By requiring insurance herein, University does not represent that coverage and limits will be adequate to protect Vendor. Such coverage and limits shall not limit Vendor Group's liability under the indemnities and reimbursements granted to University in this Contract.
  - f. In addition to other remedies under the Contract and this DSPA, if Vendor fails to maintain all insurance coverages required by this DSPA, then University may require that Vendor obtain appropriate coverages as a corrective action plan, per Section III.9 of this DSPA.
10. **TERMINATION PROCEDURES**
- a. Upon expiration or earlier termination of the Contract, Vendor shall ensure that University Data is handled consistent with this DSPA and shall follow the University's reasonable instructions as to the preservation, transfer, or destruction of University Data. Vendor shall certify in writing to University that such return or destruction has been completed.
  - b. If University terminates the Contract due to a material uncured breach by Vendor Group, then Vendor shall, at University's written request, be obligated to continue to provide the Work pending University's reasonable efforts to obtain a substitute Vendor to provide the Work during the term of the Contract.

## 11. **OPPORTUNITY TO CURE**

University will opt to extend to Vendor an opportunity to cure Vendor Group's material breach, and shall contact the Vendor, in writing, to describe issues where corrective action is sought. Within ten (10) business days, Vendor will provide a response, in writing, to explain how Vendor shall address all issues. If the Vendor's response is, in whole

# University of Washington - Data Security and Privacy Agreement

or part, unacceptable to University, then University may refer the matter to the dispute resolution provision of the Contract, or seek other reasonable means to resolve outstanding issues. To the extent that the Vendor's response describes acceptable corrective actions, then University and Vendor shall coordinate in furtherance of executing Vendor's corrective actions. Vendor shall make a written request to University to confirm that satisfactory performance of corrective actions has cured the material breach. Such acceptance shall not be unreasonably withheld.

## 12. SURVIVAL; ORDER OF PRECEDENCE

This DSPA shall survive the expiration or earlier termination of the Contract. In the event the provisions of this DSPA conflict with any provision of the Contract, or Vendors' warranties, support contract, or service level agreement, the provisions of this DSPA shall prevail.

IN WITNESS WHEREOF, this Contract has been executed as of the date of the last party to sign below ("Effective Date"). If signed in counterparts, then each shall be considered an original thereof.

### UNIVERSITY

### VENDOR

x: Jeremy Thompson

By: Jeremy Thompson

Title: Contracts Manager

Date: 4/13/2017

x: 

By: Kim Damron

Title: President

Date: 3/30/17



# University of Washington - Data Security and Privacy Agreement

## OPTIONAL EXHIBIT 1 - IDENTIFICATION OF CONTRACT AND CONTACTS

The parties may have optionally provided additional reference information in this section, as a convenience for the administration of the executory contract. Parties agree that this contract is both complete and binding irrespective whether any additional reference information is provided in this exhibit.

### ADDITIONAL REFERENCE INFORMATION

#### *Contract identification*

Parties have provided the following reference information to facilitate identification of that certain Contract which is hereby amended by this DSPA.

Contract title and/or number: \_\_\_\_\_

Date of Contract execution: \_\_\_\_\_

Contract refers to University party of DSPA as: \_\_\_\_\_

Contract refers to Vendor party of DSPA as: \_\_\_\_\_

#### *Contact Information*

Parties have provided the following contact information to facilitate communication on issues arising from this DSPA:

University Contact name:  
Jeremy Thompson

Vendor Contact name:  
Steve Shaw

University Contact Department/Organizational Unit:  
Procurement Services

Vendor Contact telephone:  
866/722-4652

University Contact telephone:  
206-543-0815

Vendor Contact email:  
Steve\_Shaw@comcastspectacor.com

University Contact email:  
jthomp@uw.edu

Vendor Contact address:  
5171 California Avenue, Suite 200

University Contact address:  
4300 Roosevelt Way NE

Irvine, CA 92617

Seattle WA 98105 BX: 354967

# University of Washington - Data Security and Privacy Agreement

## OPTIONAL EXHIBIT 2 – INFORMATION SECURITY AND PRIVACY ASSURANCE DOCUMENTATION

The parties may have optionally provided additional reference information in this section, as a convenience for the administration of the executory contract. Parties agree that this contract is both complete and binding irrespective whether any additional documentation information is provided in this exhibit.

Parties have attached the following documentation to this exhibit (check all that apply):

<u>Ref</u>	<u>Document Description</u>	<u>Document Title</u>	<u>Date</u>
§III.3.d	Export control license.		
§III.2.a.iv	Hardcopy of most recently published privacy policy. Please include the URL in the "Document Title"		
§III.6.k	Executive Summary findings from most recent Risk Assessment		
§III.9.d	Proof of insurance coverage		
§III.12	Additional amendments or writings which alter the order of precedence between provisions.		

January 12, 2009

University of Washington Athletics  
Graves Building  
Box 354070  
Seattle, WA 98195

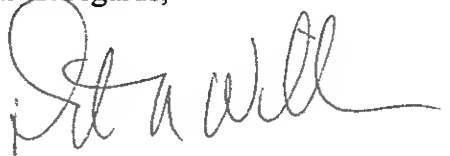
Re: Assignment by operation of law of System Purchase Contract dated June 25, 2002

To Whom It May Concern:

This letter confirms that, on January 10, 2008, Paciolan, Inc. became a wholly owned subsidiary of Ticketmaster New Ventures Holdings, Inc. ("Ticketmaster") via a merger transaction. Accordingly, the System Purchase Contract dated June 25, 2002, as amended and supplemented from time to time, was assigned by operation of law to Ticketmaster.

If you have any questions, please contact me at (206) 215-4110.

Best regards,

A handwritten signature in black ink, appearing to read "David Willis", with a long horizontal flourish extending to the right.

David Willis  
Senior General Manager  
Ticketmaster

## MASTER SOFTWARE AND SERVICES AGREEMENT

This MASTER SOFTWARE AND SERVICES AGREEMENT (this "Agreement") shall be effective as of May 1, 2012 (the "Effective Date") by and between PACIOLAN, INC., a Delaware corporation, with a principal place of business at 5171 California Avenue, Suite 200, Irvine, CA 92617 ("Paciolan") and University of Washington with a principal place of business at 3917 University Way NE, Seattle, WA 98105 ("Customer").

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have their respective meanings indicated below:

(A) **Designated Site:** A building or set of buildings within which Customer is authorized to use the Paciolan Software at the address set forth above.

(B) **Documentation:** The operating, training and reference manuals, including updates thereto, relating to the use of the Paciolan Software, Third Party Software, and the System supplied by Paciolan pursuant to this Agreement.

(C) **Investment Addendum:** The Software, Professional Services, subscription services, Support Services, terms, conditions, fees and pricing set forth in Exhibit B.

(D) **Paciolan Software:** The proprietary software of Paciolan, in object code form only, set forth in the Investment Addendum.

(E) **Professional Services:** The professional services, including any implementation services or integration services provided by Paciolan, if any, set forth in the Investment Addendum.

(F) **Software:** Paciolan Software and Third Party Software.

(G) **Support Services:** The Software maintenance and support service made available to Customer by Paciolan in accordance with the terms set forth in the applicable Service Policies, in accordance with this Agreement.

(H) **System:** The data processing system consisting of the Software licensed to Customer.

(I) **Third Party Software:** The software that is licensed or distributed by Paciolan to Customer that

is not owned by Paciolan and is set forth hereto in the Investment Addendum, if any.

## 2. **Term and Termination.**

(A) **Term.** The term of this Agreement shall begin on the Effective Date and continue until June 30, 2017 ("Initial Term") and shall automatically renew for subsequent five (5) year periods (each a "Renewal Term") under the then current terms unless either party notifies the other in writing at least ninety (90) days prior to end of the Initial Term or the then-applicable Renewal Term, as applicable, of its intent not to renew this Agreement for a subsequent term. The Initial Term, together with any Renewal Terms, is referred to herein as the "Term". For any Renewal Term, Paciolan shall be entitled to increase or otherwise adjust its fees charged under this Agreement upon notice to Customer delivered at least one hundred twenty (120) days prior to the commencement of the applicable Renewal Term.

(B) **Termination.** This Agreement may be terminated by either party in the event of any material breach of the terms and conditions of this Agreement by the other party, after the other party has received written notice of breach and thirty (30) business days (or ten (10) business days, in the case of a monetary default) to cure such breach (each such occurrence, after the expiration of such cure period, shall be an "Event of Default"); or the filing of any voluntary or involuntary petition against the other party under the bankruptcy or insolvency laws of any applicable jurisdiction, which petition is not dismissed within sixty (60) days of filing, or upon any appointment of a receiver for all or any portion of the other party's business, or any assignment of all or substantially all of the assets of such other party for the benefit of creditors. This Agreement may be terminated immediately by Paciolan upon a violation of Section 3 (License Grant) or Section 7 (Confidentiality) of the Agreement. This Agreement may be terminated by Paciolan in the event any act by Customer threatens to cause any infringement of

any of Paciolan (or Paciolan licensor) intellectual property or other property right, including without limitation, any copyright, license right or trade secret right, and Customer fails to refrain from so acting within ten (10) business days' written notice from Paciolan.

(C) Effect of Termination. Notwithstanding anything to the contrary in this Agreement, any termination of this Agreement shall not relieve either party hereto of any of its obligations or liabilities accrued hereunder prior to such termination. Upon the effective date of any termination or expiration of this Agreement, Customer shall continue to be obligated for any charges, fees, cash or other amounts previously incurred under the Agreement. Within ten (10) days after termination of this Agreement, Customer shall return to Paciolan or destroy, as instructed by Paciolan, all copies of the Software then in Customer's possession, if any, and Customer shall certify in writing to Paciolan, within two (2) weeks of any termination of this Agreement, that through its best efforts and to the best of its knowledge the original and all copies of the Software, Documentation and other proprietary information of Paciolan have been destroyed or returned to Paciolan.

### 3. Intentionally Omitted.

### 4. License Grant.

(A) Grant. Paciolan hereby grants to Customer, and Customer hereby accepts from Paciolan, a non-exclusive and non-transferable license (the "Software License") to use the Software in order to use the System for internal business purposes only, subject to the number of users identified on the Investment Addendum, for the license fees set forth on the Investment Addendum. The Software consists of a series of machine-readable instructions plus any Documentation customarily supplied therewith. The Software shall initially be used only on equipment at the Designated Site. Use of the Software may be subsequently transferred to another single location maintained by Customer, which shall then become the Designated Site, provided (a) the Software is used by Customer at no more than one Designated Site and (b) Customer provides Paciolan with written notice ninety (90) days before any such transfer. The Software shall be used only for the processing of transactions in connection with Customer's own business.

(B) Restrictions. Customer shall limit the use of the Software to its employees who have appropriately familiarized themselves with the Software. Customer shall not: (a) permit any third

party to use the Software, (b) use the Software in conjunction with any software, other than Paciolan's software or products, (c) use the Software in the operation of a service bureau which rents or provides computer hardware or software to others, (d) operate the Software on more than one central processing unit or file server at the Designated Site, (e) delete or alter Paciolan's trade secrets, trademarks or copyright notices in the Software or any copies, modifications or partial copies thereof, (f) disassemble, re-manufacture, repair, re-configure, enhance, upgrade, modify, translate, adapt, create derivative works, decompile or reverse engineer the Software in any way nor merge them into any other program for any purpose, or (g) transfer, license or sub-license, assign, rent, sell, grant, publish, disclose, display, dispose or otherwise make available the Software, or any rights therein or copies or derivatives thereof, including other templates or working systems. The Software License includes the right to copy the Software in non-printed, machine readable form in whole or in part solely as necessary for Customer's own business use. Customer shall maintain no more than one copy of the Software at the Designated Site.

(C) Ownership. Customer covenants and agrees that all Software, including Documentation, enhancements, conversions, upgrades, additions, modifications thereto and information contained therein, and any information, methods, formulae, techniques, processes, system and programs devised, produced or supplied by Paciolan, in connection with this Agreement or otherwise, in text or displayed on the computer screens when utilizing the Software or any other information disclosed to Customer regarding the Software, future modifications or direction for current or future Software, is proprietary (hereafter "Proprietary Information") and shall be and remain, personal property which shall, at all times, remain the sole and exclusive property of Paciolan or its licensors, and Customer shall have no right, title or interest therein or thereto except as a licensed user pursuant to the terms of the Agreement. In addition to the proprietary rights described above, Customer is warned and acknowledges that Paciolan has invention rights, copyrights, and other intellectual property rights in and to the information contained therein which prohibit copying, sale, modification and re-manufacture of the Software and information regarding the Software, which will be enforced. Paciolan shall have all applicable rights to patents, copyrights, trademarks and trade secrets in the Proprietary Information and derivative works thereof, regardless of whether developed outside the scope of this Agreement or in connection with the services provided pursuant to this Agreement. Customer agrees

to secure and protect all portions of the Proprietary Information and copies thereof in a manner consistent with the maintenance of Paciolan's rights therein and to take appropriate action by instruction and agreement with its employees or consultants who are permitted access to any portions of the Proprietary Information to satisfy its obligations hereunder. Customer hereby irrevocably assigns to Paciolan any and all rights it may be deemed to have in any changes, modifications or corrections to the Software and Documentation, including but not limited to copyright rights, and agrees to execute all documents necessary to implement and effect such assignment. All rights not specifically granted herein are reserved to and by Paciolan.

(E) Upgrades. Customer agrees to upgrade any licensed versions of Paciolan or Third Party Software which are designated by Paciolan as superseded within one year following receipt of written notice that such Paciolan or Third Party Software version is superseded and will no longer be supported by Paciolan.

(F) Compliance. Customer shall comply with and conform to all federal, state, municipal and other laws, ordinances and regulations in any way relating to the use of the System.

5. Third Party Software. Paciolan reserves the right to reconfigure, replace or substitute Third Party Software in a manner that Paciolan believes is appropriate, as long as the essential functionality, features, capabilities and performance levels set forth in this Agreement for the System are provided to Customer. Paciolan shall secure all required licenses necessary for the use of any embedded third party software, which may be incorporated in the Software. To the extent any Third Party Software is subject to an end user license or other applicable license terms of the owner of such Third Party Software, then the use of such Third Party Software shall be subject to such licenses.

6. Fees and Payment Terms.

(A) Fees. Customer agrees to pay Paciolan the monthly transaction fees, monthly services fees, periodic hosting and/or subscription services fees, quarterly services charges and any other fees or charges set forth on the Investment Addendum in accordance with the payment schedule set forth on the Investment Addendum and the terms set forth in this Agreement.

(B) Invoices and Payment Terms. Invoices are due and payable on receipt and will be past due if Paciolan does not receive full payment within a period of thirty (30) days from date of the invoice.

(C) Separately Billable Items. Paciolan shall be entitled to reimbursement for reasonable travel, meals, lodging, and other business expenses incurred by Paciolan personnel in the performance of this Agreement and Customer shall have the right to require Paciolan to supply reasonable documentation supporting the incurrence of such expenses. Upon request, Paciolan shall solicit Customer's prior written approval (which shall include email) prior to incurring any such expenses, provided that such prior approval will not be unreasonably withheld.

(D) Taxes. Customer shall, in addition to the other amounts payable under this Agreement, pay any and all goods and services (if applicable), sales, use, entertainment, amusement and other taxes, federal, state, local, provincial or otherwise, however designated, which are levied or imposed by reason of the transactions contemplated by this Agreement. Without limiting the foregoing, Customer shall promptly pay to Paciolan an amount equal to any such items actually paid, or required to be collected or paid by Paciolan.

7. Confidentiality. The parties acknowledge that by reason of their relationship hereunder, they may from time to time disclose information, whether oral or written, regarding their business, software, software technology, intellectual property and other information (including without limitation, with respect to Paciolan, the Proprietary Information) that is confidential and of substantial value to the other party, which value would be impaired if such information were disclosed to third parties ("Confidential Information"), which include, but not limited to, any Paciolan proposals, RFPs or bids, Software, Documentation and the terms of this Agreement. Any such information that a reasonable person would determine to be confidential shall be deemed Confidential Information hereunder. Confidential Information shall not include information that (i) is or becomes generally available to the public other than as a result of the breach of the confidentiality obligations in this Agreement by the receiving party, (ii) is or has been independently acquired or developed by the receiving party without violating any of the confidentiality obligations in this Agreement, (iii) was within the receiving party's possession prior to it being furnished to the receiving party by or on behalf of the disclosing party, or (iv) is received from a source other than the disclosing

party; provided that, in the case of (iii) and (iv) above, the source of such information was not known by the receiving party to be bound by a confidentiality obligation to the disclosing party or any other party with respect to such information. Each party agrees that it will keep the Confidential Information strictly confidential and will not use in any way for its own account or the account of any third party, nor disclose to any third party, any Confidential Information revealed to it by the other party without the other party's prior written consent, except to the extent expressly permitted by this Agreement; provided, however, that the receiving party may disclose the Confidential Information, or any portion thereof, to its directors, officers, employees, legal and financial advisors, controlling persons and entities who need to know such information to perform such party's obligations under this Agreement and who agree to treat the Confidential Information in accordance with the confidential obligations in this Agreement. Each party shall use the same degree of care, which in no event shall be less than a reasonable degree of care, to avoid disclosure or use of the other party's Confidential Information as it employs with respect to its own Confidential Information of like importance and represents that it has adequate procedures to protect the secrecy of such Confidential Information including without limitation the requirement that employees have executed non-disclosure agreements which have the effect of adequately protecting Confidential Information. In the event that either party receives a request to disclose all or any part of the Confidential Information of the other party under the terms of a subpoena, document request, notice of deposition or other legal or regulatory proceeding, such party receiving the request agrees to notify the other party pursuant to this Agreement below, within forty-eight (48) hours after receipt of such legal request, and the party receiving such request agrees to cooperate with the notified party in any attempt to obtain a protective order. Each party agrees, as applicable, that any violation of Section 3 (License Grant) or Section 7 (Confidential Information) hereof, may result in irreparable harm to the non-breaching party and said non-breaching party may be entitled to apply for injunctive relief, in any court having proper jurisdiction (notwithstanding anything herein to the contrary) without the necessity of proving actual damages, in addition to any other remedy that the non-breaching party may have.

8. **Customer Data.** Customer agrees to use the personally identifiable information with respect to persons who conducted transactions via the System

(the "Customer Data") only in compliance with all applicable laws and administrative rulings, including but not limited to applicable, local, state and federal privacy laws, or any other similar privacy legislation, as applicable, and in accordance with Customer's own posted privacy policies. In addition, Customer agrees that if any portion of the Customer Data includes a person's name and that person's (i) social security number; or (ii) driver's license or government identification number; or (iii) credit or debit card number; or (iv) password and account identification, then Customer agrees to implement and maintain reasonable security procedures and practices appropriate to the nature of the Customer Data to protect the Customer Data from unauthorized access, destruction, use, modification or disclosure. Customer Data shall be the Confidential Information of Customer.

#### 9. **Representations and Warranties.**

(A) Paciolan warrants that the Software will materially conform, as to all substantial operational features, to Paciolan's current specifications when installed.

(B) The above warranty shall be effective only if Customer notifies Paciolan in writing, within ninety (90) days of delivery of the Software to Customer (which date shall not be extended by delivery of any subsequent modifications to the Software, including upgrades), of its claim of any such defect. If the Software is found defective by Paciolan, Paciolan's sole obligation under this warranty is to remedy such defect, by repairing or replacing the Software, in a manner consistent with Paciolan's regular business practices.

(C) THE ABOVE WARRANTY IS A LIMITED WARRANTY AND IT IS THE ONLY WARRANTY MADE BY PACIOLAN. PACIOLAN DOES NOT MAKE, AND CUSTOMER EXPRESSLY WAIVES, ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED. THERE ARE EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. PACIOLAN DOES NOT OTHERWISE WARRANT THAT THE SYSTEM WILL MEET CUSTOMER'S NEEDS OR OPERATE IN COMBINATION WITH OTHER SOFTWARE. PACIOLAN DOES NOT OTHERWISE WARRANT THAT THE SOFTWARE IS ERROR-FREE OR THAT OPERATION OF THE SYSTEM WILL BE SECURE OR UNINTERRUPTED. THE STATED

EXPRESS WARRANTY IS IN LIEU OF ALL LIABILITIES OR OBLIGATIONS OF PACIOLAN FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE SOFTWARE, THE SYSTEM, PROFESSIONAL SERVICES AND ASSOCIATED SERVICES.

(D) If any modifications are made to the Software by Customer during the warranty period, this warranty shall immediately be terminated. Correction for difficulties or defects traceable to Customer's errors or systems changes shall be billed at Paciolan's then standard time and material charges.

(E) Customer represents and warrants to Paciolan that Customer is the exclusive operator of the Designated Site(s) and has the right and authority to enter into this Agreement. Customer represents, warrants and covenants to Paciolan that: (i) this Agreement has been duly authorized, executed and delivered on behalf of Customer by its duly authorized representative and constitutes the legal, valid, and binding agreement of such party, enforceable in accordance with its terms; (ii) the entering into and performance of this Agreement will not violate any judgment, order, law, regulation or agreement applicable to Customer or violate the rights of any third party, or result in any breach of, constitute a default under, or result in the creation of, any lien, charge, security interest or other encumbrance upon any assets of such party (or, result in any such encumbrance upon any aspect of the Software), pursuant to any instrument to which such party is a party or by which it or its assets may be bound; (iii) no agreement or understanding between Customer and any third party contains or shall contain any provision inconsistent with any provision, or the purpose or intent, of this Agreement; and (iv) Customer and any entities who obtain Software, if otherwise permitted herein, will comply with all U.S. export laws relating to the licensing and delivery of the Software outside the U.S. The representations and warranties contained in this section shall be deemed material for all purposes related to this Agreement and shall survive any termination of this Agreement.

**10. Limitation of Liability.** IN NO EVENT SHALL PACIOLAN BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING ALSO LOST PROFITS, LOST SAVINGS, LOST OR DESTROYED DATA, LOST REVENUES, LOST OPPORTUNITY COSTS OR ANY OTHER ECONOMIC LOSS, OF

ANY TYPE OR NATURE, OR FOR EVENTS OR CIRCUMSTANCES BEYOND PACIOLAN'S CONTROL, EVEN IF PACIOLAN HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER OCCASIONAL SHORT TERM INTERRUPTIONS OF SERVICE WHICH ARE NOT UNREASONABLE UNDER COMPARABLE INDUSTRY STANDARDS NOR INTERRUPTIONS OF SERVICE RESULTING FROM EVENTS OR CIRCUMSTANCES BEYOND PACIOLAN'S REASONABLE CONTROL SHALL BE CAUSE FOR ANY LIABILITY OR CLAIM AGAINST PACIOLAN HEREUNDER, NOR SHALL ANY SUCH OCCASION RENDER PACIOLAN IN DEFAULT UNDER THIS AGREEMENT. PACIOLAN'S MAXIMUM LIABILITY AND OBLIGATION TO CUSTOMER, AND CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT (INCLUDING NEGLIGENCE), RELATING TO THIS AGREEMENT SHALL BE LIMITED TO THE REPAIR OR REPLACEMENT OF ANY DEFECTIVE DISKETTE (AS APPLICABLE), REPLACEMENT WITH IDENTICAL OR LIKE SOFTWARE, OR REFUND OF PURCHASE PRICE, ALL OF WHICH AT PACIOLAN'S OPTION, AND IN ANY CASE, SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES UP TO THE AMOUNT OF FEES PAID BY CUSTOMER TO PACIOLAN FOR THE APPLICABLE SOFTWARE PRODUCT, PARTICULAR TASK OR SPECIFIED DELIVERABLE FOR WHICH BREACH IS CLAIMED (WHETHER FOR SOFTWARE LICENSE, SUPPORT AND MAINTENANCE FEES OR CONSULTING FEES OR OTHER FEES RELATED TO ANY SERVICE). IN NO EVENT SHALL PACIOLAN'S LIABILITY UNDER THIS AGREEMENT EXCEED THE TOTAL AMOUNT OF PAYMENTS PAID BY CUSTOMER TO PACIOLAN DURING THE TWELVE (12) MONTHS PRECEDING THE APPLICABLE CLAIM.

**11. Indemnification.** Customer shall defend and indemnify Paciolan and its parents, subsidiaries, and their officers, directors, employees and agents and their successors and assigns (collectively, for purposes of this section, "Paciolan's Indemnitees") against, and hold Paciolan's Indemnitees harmless from, any and all claims, actions, damages, expenses (including court costs and reasonable legal fees), obligations, losses, liabilities and liens, imposed on, incurred by, or asserted against Paciolan's



Indemnities occurring as a result of, or in connection with: (i) any breach under this Agreement by Customer or any of its officers, directors, employees and agents (collectively, "Customer's Representatives"); (ii) use of the Software or the System; (iii) claims that Paciolan's release of the Customer Data to Customer violates any applicable law, rule or regulation ; or (iv) Customer's use of the Customer Data.

**12. Support Services.** Paciolan will supply Customer with the Support Services in accordance with Paciolan's support policies and procedures ("Service Policies"). If any provision of the Service Policies conflicts with the Agreement, then the Agreement shall prevail. The service hours and the specific services to be delivered, including telephone and/or electronic consultation, are based on a service program (the "Service Program") selected by Customer. The Service Program selected by Customer is listed on Investment Addendum. Paciolan will supply Customer telephone and/or electronic consultation for the Software as detailed in the Service Policies. The Support Services are limited to the support of only one Data Account, unless otherwise specified in the Investment Addendum, for Software products specified in the Investment Addendum. Any other software installed on Customer's computers, whether supplied by Paciolan or not, is not covered under this Agreement. The support of other Data Accounts or operational sites must be provided for by a subsequent written agreement between Paciolan and Customer. The Support Services do not include assistance with integration to external Customer systems or custom reports specific to unique business operations. For any services requested by Customer but not provided in the Support Services or set forth in the Professional Services section of the Investment Addendum, Customer will be responsible to contract with Paciolan on a time and materials basis or secure the necessary services through Paciolan or a Paciolan approved third-party organization. Paciolan reserves the right to amend the Service Policies at any time. Customer grants Paciolan the right to directly access the System solely for the purpose of fulfilling its rights and obligations under this Agreement and Customer shall not unreasonably restrict Paciolan's access to the System or any of its applications, files, account, registers, or databases. Customer agrees to work diligently with Paciolan to establish a reasonable process for support and maintenance provided by Paciolan.

**13. Services.**

(A) The schedule and delivery of all Professional Services, if any, and other services, if any, to Customer will be governed as provided in this Agreement and the Investment Addendum. Paciolan shall provide the implementation Professional Services for the System in accordance with the Investment Addendum. Acceptance of each applicable component of the Software or System, as applicable, by Customer will be deemed to have occurred as soon as such applicable component of the Software or the System is installed, implemented, tested and declared operational by Customer but no later than thirty (30) days following the first transaction via the System, upon the occurrence of which, Customer shall provide Paciolan with a certificate of acceptance.

(B) Solicitation of Employees. During the term of this Agreement and for one (1) year thereafter, Customer will not encourage or solicit any employee or consultant of Paciolan or its subsidiaries and parents to leave Paciolan or such subsidiaries and parents for any reason.

(C) Programming Services. Any programming or data conversion services included in this Agreement have been detailed in the Professional Services section of the Investment Addendum.

**14. Survival of Obligations.** In the event of the termination of this Agreement, the provisions of Section 1 ("Definitions"), Section 2(C) ("Effect of Termination"), Section 3(B) ("Restrictions"), Section 3(C) ("Ownership"), Section 6 ("Fees and Payments Terms"), Section 7 ("Confidentiality"), Section 10 ("Limitation of Liability"), Section 11 ("Indemnification"), Section 13(B) ("Solicitation"), Section 15 ("Export Controls"), and Section 17 ("General Provisions") shall survive and shall continue to bind the parties.

**15. Export Controls.** Customer agrees to comply with all then current export and import laws and regulations of the U.S. (including the deemed export rule) and such other governments and jurisdictions as are applicable to the Software.

**16. Notice to U.S. Government End Users.** The Software is a "Commercial Item," as that term is defined at 48 C.F.R. §2.101, consisting of "Commercial Computer Software" and "Commercial Computer Software Documentation," as such terms are used in 48 C.F.R. §12.212 or 48 C.F.R. §227.7202, as applicable. Consistent with 48 C.F.R. §12.212 or 48 C.F.R. §§227.7202-1-4, as applicable, all U.S. Government end users acquire the products

with only those rights as are granted pursuant to the terms and conditions herein. All unpublished-rights are reserved by Paciolan under the copyright laws of the United States. If Customer is an agency and/or instrumentality of the United States of America, the Software is provided subject to the restrictions applicable to other end users in accordance with certain restrictions, as provided in DFARS 227.7202-1(a) and 227.7202-3(a) (1995), DFARS 252.227-7013(c)(1)(ii) (Oct. 1988), FAR 12.212(a)(1995), FAR 52.227-19, or FAR 52.227-14 (Alt III), as applicable.

#### **17. General Provisions.**

(A) Notices. Any notices required to be given under this Agreement must be sent to each party, in writing, at the address set forth in the opening paragraph of this Agreement or at such address as may be provided by each party in writing from time to time, by certified or registered mail, return receipt requested or by an overnight courier. Notices will be deemed effective the day following sending if sent by overnight courier or five days after sending if sent by certified or registered mail.

(B) Legal Review/Fees. Each of the parties has had the opportunity to have its legal counsel review this Agreement on its behalf. If an ambiguity or question of intent arises with respect to any provision of this Agreement, this Agreement will be construed as if drafted jointly by the parties. The parties expressly agree that the construction and interpretation of this Agreement shall not be strictly construed against the drafter. In addition to any other rights hereunder, the substantially prevailing party, as a court of competent jurisdiction (as provided above) may determine, in any claim or other dispute which relates to this Agreement, regardless of whether such claim or other dispute arises from a breach of contract, tort, violation of a statute or other cause of action, shall have the right to recover and collect from the other party its reasonable costs and expenses incurred in connection therewith, including, without limitation, its reasonable legal fees. If a party substantially prevails on some aspects of such claim or dispute but not others, the court may apportion any award of costs or legal fees in such manner as it deems equitable.

(C) Applicable Law. This Agreement shall be interpreted and governed by the laws of the State of California, without reference to conflict of laws principles. Each of the parties hereto agrees that the state courts, and the United States federal courts, that are located in the State of California shall each have

subject matter jurisdiction hereunder and personal jurisdiction over each of the parties hereto. Each such party hereby consents thereto, and hereby waives any right it may have to assert the doctrine of forum non conveniens or to object to venue to the extent that any proceeding is conducted in accordance with the foregoing provision. In the event the parties are required for any reason to submit any dispute hereunder to trial, the parties expressly agree to waive the right to a jury trial, because the parties hereto, all of whom are represented by counsel, believe that the complex commercial and professional aspects of their dealing with one another make a jury determination neither desirable nor appropriate.

(D) Severability. If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, then the remaining provisions will nevertheless remain in full force and effect.

(E) Binding Effect. The terms, conditions, provisions and undertakings of this Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and permitted assigns; provided, however, that this Agreement shall not be binding until executed by each of the parties. This Agreement may be executed in multiple counterparts which when taken together constitute a single instrument.

(F) Entire Agreement. This Agreement constitutes the entire and exclusive agreement between the parties hereto with respect to the subject matter hereof and supersedes and cancels all previous oral or written communications, proposals, agreements, and commitments. No modification or amendment to this Agreement, nor any waiver of any rights, shall be effective unless assented to in writing by the party to be charged and the waiver of any breach or default shall not constitute a waiver of any other right hereunder or any subsequent breach or default. A party's delay in enforcing its rights hereunder shall not be construed as a waiver of such rights or remedies. All materials submitted to either party for approval must be submitted in writing to the location and person(s) as indicated by such party from time to time.

(G) Force Majeure Event. Neither party hereto shall be deemed to be in default hereunder, and no Event of Default shall be deemed to have occurred, as a result of any delay or failure of performance which occurs due to any war, flood, fire, hurricane, earthquake, civil disturbance, act of God or other

event beyond such party's reasonable control ("Force Majeure Event"), but only for so long as such Force Majeure Event shall continue to prevent such performance. Neither party shall be liable or deemed in default, and no Event of Default shall be deemed to have occurred, as a result of any delay or failure in performance of this Agreement resulting directly or indirectly from any cause completely, solely and exclusively beyond the control of that party, but only for so long as such delay shall continue to prevent performance.


(H) Assignment. Without the prior written consent of Paciolan, Customer shall not (i) directly or indirectly assign, transfer, pledge or hypothecate its rights or obligations in this Agreement or any interest therein; or (ii) permit access to the Software or any part thereof to be had, by anyone other than Customer or Customer's authorized employees. Any such assignment shall not relieve Customer of any of its obligations hereunder. Without the prior written consent of Customer, Paciolan shall not assign or transfer its rights or obligations in this Agreement or any interest therein, except in the event of an assignment by Paciolan to any parent, subsidiary, affiliate or successor-in-interest (including, without limitation, a successor by virtue of an acquisition), in which event no such consent shall be required. Any assignment, transfer, pledge or hypothecation for which consent is required hereby and which is made without such consent shall be void.

(I) Relationship of the Parties. Each party is an independent contractor and not an agent or partner of, or joint-venturer with, the other party for any purpose other than as set forth in this Agreement. Neither party by virtue of this Agreement shall have any right, power, or authority to act or create any obligation, express or implied, on behalf of the other party.

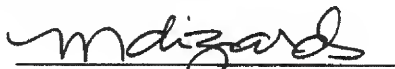
(J) Purchase Orders. All purchase orders submitted by Customer shall be deemed to incorporate and be subject to the terms and conditions of this Agreement, unless otherwise agreed in writing by the parties. No provision or data on any purchase order or contained in any documents attached to or referenced in any purchase order shall be binding to the extent that it is in addition to or contradicts the terms and conditions contained herein (including amendments thereto).

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by its duly authorized representative.

PACIOLAN, INC.

Signature:   
Name: David R. Butler  
Title: CEO  
Date: 12/19/11

UNIVERSITY OF WASHINGTON

Signature:   
Name: Marianne Dizard  
Title: Contracts Specialist  
Date: 12/16/11

[SIGNATURE PAGE TO MASTER SOFTWARE AND SERVICES AGREEMENT]

## EXHIBIT A: FUNDRAISER'S ADVANTAGE AND DONORNET ADDENDUM

This addendum ("Addendum") sets forth additional terms and conditions applicable to the license granted to the Fundraiser's Advantage (Advantage) and Donornet components of the Software. In the event of any conflict between this Addendum and the Agreement, then this Addendum shall prevail.

### **1. Customer Obligations.**

(A) Customer shall be responsible for providing the software and hardware set forth on the Investment Addendum and designated as being provided by Customer.

(B) Customer shall be responsible for security of the data maintained on such hardware purchased, owned and maintained by Customer.

(C) Customer shall use and maintain the hardware and Software configuration for Advantage and Donornet recommended by Paciolan.

(D) Customer shall permit network access to the Advantage component of the Software by Paciolan.

(E) Customer shall maintain the network required by Advantage.

### **2. Paciolan Obligations.**

(A) Paciolan shall remotely administer the SQL database utilized in connection with Advantage hereunder

(b) Paciolan shall host the web-based Donornet component of the Software.

3. **Customization.** At Customer's request, Paciolan may provide customized reports, additional software features or other functionality for the Advantage and Donornet components of the Software ("Customization"), on terms to be mutually agreed upon by the parties by executing a Statement of Work that shall set forth the specific services to be performed, the price therefore and such additional terms as shall be agreed upon by the parties. Paciolan shall own the entire right, title and interest in and to all of the work product conceived, created or developed, alone or with Customer or others, as a result of or related to the performance of any Customization, including all proprietary rights therein or based thereon without owing any compensation or royalties to Customer, its employees or its agents. Upon delivery, any and all Customization will be deemed a part of the Software and will be subject to the terms of the Agreement. Such Customization owned by Paciolan may be included in

subsequent releases of the Software generally made available to Paciolan customers, but there shall be no requirement for Paciolan to do so.

4. **Professional Services.** The implementation Professional Services provided by Paciolan, if any, in connection with the Advantage and Donornet components of the Software and set forth on the Investment Addendum shall be subject to the following terms:

(A) Prior to use of the Advantage and Donornet components of the Software by Customer, Paciolan shall conduct a needs assessment (at Customer's site if necessary) of Customer's current technology, possible connectivity issues with third party software and hardware and Customer's access to and sources of donor data (the "Needs Assessment").

(B) Paciolan shall assist Customer in installing the Advantage and Donornet components of the Software at Customer's site and initially populating such Software with donor data (the "Installation"). After the Needs Assessment, Paciolan and Customer shall agree upon a project plan to coordinate each party's efforts in such Installation. Customer acknowledges that if additional third party software and/or hardware are required for the Installation and for the Advantage component of the Software to properly function at Customer's site, such items will be the responsibility of Customer.

(C) The following is a list of Customer responsibilities and other requirements necessary for the successful completion of the Needs Assessment and Installation (to the extent each is applicable). In the event an item identified below is not made available in the manner described below or on a timely basis, such circumstance shall constitute a change that may require an adjustment to the schedule and/or fees applicable thereto.

- Customer's project manager shall be made available to Paciolan for assistance with conversion from current system.
- Other Customer representatives, as necessary, shall be made available to Paciolan.

- Customer shall provide Paciolan with access to appropriate materials and resources related to Customer's environment.
- Customer shall provide Paciolan with appropriate workspace at Customer's premises.

5. **Support Services.** Notwithstanding anything to the contrary in the Agreement or the Service Policies, the Support Services provided by Paciolan in connection with the Advantage and Donornet components of the Software shall be provided during Paciolan's ordinary weekday business hours, Monday through Friday (excluding holidays), 9:00 A.M. to 4:00 P.M. Central Standard Time.

**EXHIBIT B: INVESTMENT ADDENDUM**

<b>SOFTWARE &amp; SUBSCRIPTION SERVICES</b>				
<b>Qty</b>	<b>Description</b>	<b>Unit Price</b>	<b>Ext Price</b>	<b>QSC</b>
<b>PACIOLAN SOFTWARE</b>				
1	Fundraisers Advantage Software License	Existing	Existing	
1	DonorNet Software License	Existing	Existing	
<b>SOFTWARE SUBSCRIPTION SERVICE</b>				
1	Annual Fundraisers Advantage and DonorNet Support Fee	\$42,000		

<b>HARDWARE and SOFTWARE REQUIRED TO BE PROVIDED BY CUSTOMER</b>	
<b>Qty</b>	<b>Description</b>
	<p><b>HARDWARE</b></p> <p><b>Workstation</b> <span style="float: right;">Provided by Customer</span></p> <p>CPU - min 1 GHz or higher Pentium IV or better</p> <p>Operating System - Windows XP or higher</p> <p>MS Office 2003 highly recommended to leverage all of Advantage's features</p> <p>RAM - 512 MB of RAM or higher</p> <p>1 GB available disk space</p> <p><b>SQL Server</b> <span style="float: right;">Provided by Customer</span></p> <p>CPU - Pentium IV at 2 GHz or higher</p> <p>Operating System - Windows 2000 or 2003</p> <p>Microsoft SQL Server 2003 or 2005</p> <p>RAM - 1GB memory minimum, recommend 2GB</p> <p>6 GB of available disk space, recommend upgraded disk controller specifically for database servers</p> <p>Per Microsoft's recommendation, SQL Server should not also host other server applications</p> <p>The Advantage database can share the same SQL Server as other SQL Server databases</p> <p><b>SOFTWARE</b></p> <p><b>Third-Party Application Software</b></p> <p>1 Microsoft SQL Server 2000 Standard Edition <span style="float: right;">Provided by Customer</span></p> <p>Includes Maintenance Contract</p>

<b>FEEs</b>	<table> <tr> <td data-bbox="289 466 1170 695"> <p><b>ADVANTAGE &amp; DONORNET ANNUAL SUPPORT FEE</b></p> </td><td data-bbox="1170 466 1354 695"> <p><b>\$42,000</b></p> </td></tr> </table>	<p><b>ADVANTAGE &amp; DONORNET ANNUAL SUPPORT FEE</b></p>	<p><b>\$42,000</b></p>
<p><b>ADVANTAGE &amp; DONORNET ANNUAL SUPPORT FEE</b></p>	<p><b>\$42,000</b></p>		
<b>PAYMENT TERMS</b>	<table> <tr> <td data-bbox="289 688 1170 938"> <p>DUE on Agreement Effective Date (Covers Period between 5/1/12 thru 6/30/12)</p> <p>DUE on July 1, 2012 and each July 1st thereafter thru term of Agreement.</p> </td><td data-bbox="1170 688 1354 938"> <p><b>\$7,000</b></p> <hr/> <p><b>\$42,000</b></p> </td></tr> </table>	<p>DUE on Agreement Effective Date (Covers Period between 5/1/12 thru 6/30/12)</p> <p>DUE on July 1, 2012 and each July 1st thereafter thru term of Agreement.</p>	<p><b>\$7,000</b></p> <hr/> <p><b>\$42,000</b></p>
<p>DUE on Agreement Effective Date (Covers Period between 5/1/12 thru 6/30/12)</p> <p>DUE on July 1, 2012 and each July 1st thereafter thru term of Agreement.</p>	<p><b>\$7,000</b></p> <hr/> <p><b>\$42,000</b></p>		





## UNIVERSITY OF WASHINGTON

CHANGE ORDER  
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TO: PACIOLAN INC  
5171 CALIFORNIA AVE STE 200  
IRVINE CA 92617

DELIVERY  
RESTRICTIONS:  
See #15 OF GENERAL  
TERMS AND  
CONDITIONS

Date		Purchase Order Number
12/07/11	***	726555
Ship To:		
COMPUTER OFFICE	354070	
ATTN: TREVOR BAGLIEN		
UNIVERSITY OF WASHINGTON, ICA		
GRAVES BUILDING		
SEATTLE	WA 98195-4070	

Terms: NET 30 DAYS  
FOB: DESTINATION  
Via:  
Delivery Date: (Except as noted below\*)

THIS ORDER IS SUBJECT TO UNIVERSITY OF WASHINGTON  
GENERAL TERMS AND CONDITIONS AVAILABLE AT:  
<http://f2.washington.edu/fm/ps/info-for-suppliers/terms-and-conditions>

Item No.	Description	Quantity	Unit	Unit Price	Del. Date*
002	<p>This order is hereby issued to modify and amend our order 726555, dated 10/31/11, to change as follows:</p> <p>CHANGE TERM OF CONTRACT</p> <p>MODIFY THE FOLLOWING ITEM(S):</p> <p>ANNUAL SUPPORT FEE PAYMENT TO PACIOLAN AS PART OF MASTER SOFTWARE AND SERVICES AGREEMENT</p> <p>SUPERSEDES PO 566085</p> <p>05/01/12 - 06/30/17</p> <p>PURCHASE ORDER NOT TO EXCEED \$64,000.00</p> <p>ALL OTHER TERMS AND CONDITIONS TO REMAIN THE SAME.</p>	1	LOT		

16-9208

111430-04

**BILLING INSTRUCTIONS:**  
Mail two (2) copies of invoice(s) to:  
ACCOUNTS PAYABLE  
3917 UNIVERSITY WAY N.E.  
UNIVERSITY OF WASHINGTON  
SEATTLE, WA 98105-6692

**PAYMENT QUESTIONS:**  
Call ACCOUNTS PAYABLE  
at 206-543-4500  
FAX 206-685-8018  
Email: [aphelp@u.washington.edu](mailto:aphelp@u.washington.edu)

All other correspondence to:

PURCHASING DEPARTMENT  
UNIVERSITY OF WASHINGTON  
BOX 351110  
SEATTLE, WA 98195-1110

NOTE: Refer to our Purchase Order Number

Purchasing  
Agent

726555

on All correspondence.

MARIANNE DIZARD

(206) 221-1869